

Abstract of
THE DOMESTIC POLICIES OF THE LIBERAL PARTY
OF GREAT BRITAIN 1906-1914:
THEIR EFFECT UPON THE FUTURE OF THE PARTY

by

Harold Webb, Jr., Ph.D.,

Brown University

June, 1957

From the General Election of January 1906, to the outbreak of the First World War in August 1914, the last Liberal administrations to control the government of Great Britain in peace time held office. After the formation of the first War Coalition Government in 1915, the Liberal Party was never again to have sufficient electoral strength to form a Government. The spectacularly rapid demise of the Liberal Party presents one of the most interesting political phenomena of the Twentieth Century.

The Liberals were swept into office in 1906 with the greatest majority any political party had held in the House of Commons since the great Whig victory of 1832. A promise to continue a "Free Trade" fiscal policy was primarily responsible for this great Liberal triumph, but beyond this, there was little indication as to what the legislative program of the new Government would be. It was essential for the Liberal cause that the leaders of the party produce a progressive legislative program of social and economic reform at this time, for a new political force had arisen in Great Britain. This force was the newly created Labour Party, which looked to the trade unions and the working classes for its support. If the Liberals did not want to lose the support of these elements

in the electorate, they would have to satisfy their demands, hopes and aspirations. This the Liberal Party failed to do during the years 1906 to 1914.

Beginning with the legislative session of 1906, the Liberal Government became involved in a constitutional struggle with the Conservative dominated House of Lords that was to last for five years. Preoccupied with this dispute, the Liberal Government postponed, or neglected altogether, the needs of the working classes. In the attempt to build up a case against the Lords, bills were introduced that lacked national appeal and consumed an inordinate amount of Parliamentary time. When this constitutional crisis was finally settled, by the passage of the Parliament Act in 1911, the Liberals were entangled in the debacle over Home Rule for Ireland. The Government's inaction and blunders with respect to Ireland, brought that nation to the brink of civil war, and threatened to break down constitutional government in Great Britain.

While engaged in this constitutional struggle, the Liberals lost contact with the trade unions and working classes. Though trade prospered through most of this period, wages failed to keep pace with the rising cost of living. Dissatisfied with their economic status, the workers participated in a wave of strikes beginning in 1910 that threatened to disrupt the nation's economic life. By 1914, a combination of large trade unions posed the greatest labor problem that any English government had ever faced.

The Liberal legislative program had failed to recognize the needs of a changing world. Working class voters wearied of waiting for Liberal reform. Trade unions that had been affiliated with the Liberal Party in 1906 were, by 1914, affiliated with the Labour Party. The loss of this support meant the end of the Liberal Party.

THE DOMESTIC POLICIES OF THE LIBERAL PARTY
OF GREAT BRITAIN 1906-1914:
THEIR EFFECT UPON THE FUTURE OF THE PARTY

BY

HAROLD WEBB, JR.

A.B., UNIVERSITY OF PENNSYLVANIA, 1949
A.M., UNIVERSITY OF PENNSYLVANIA, 1950

THESIS

SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF DOCTOR OF PHILOSOPHY IN THE DEPARTMENT OF
POLITICAL SCIENCE AT BROWN UNIVERSITY

JUNE, 1957

VITA

NAME: Harold Webb, Jr.

DATE OF BIRTH: April 24, 1925

PLACE OF BIRTH: Philadelphia, Pennsylvania

SCHOOLS AND INSTITUTIONS:

Upper Darby Senior High School, Upper Darby, Pa., June, 1943

Iowa State College, Ames, Iowa, Army Specialized Training
Program, one semester, 1943-1944

University of Pennsylvania, Philadelphia, Pennsylvania,
A.B., 1949

University of Pennsylvania, Philadelphia, Pennsylvania,
A.M., 1950

HONORS: Phi Beta Kappa, 1948

University Fellow in Political Science, Brown University,
Providence, Rhode Island, 1950-1952

Fulbright Grant to the United Kingdom, 1952-1954

TEACHING EXPERIENCE: Hobart College, Geneva, New York, Instructor
in Political Science, 1954-1955

Clark University, Worcester, Massachusetts,

Instructor in Political Science, 1955-1956

MILITARY SERVICE: Served in U.S. Army, August 1943 through November
1945

Loss of vision due to combat injuries sustained
while serving with infantry in France.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
Chapter	
I. THE LIBERAL VICTORY OF 1906.	4
II. THE LIBERAL LEGISLATIVE PROGRAM OF 1906.	23
III. BLOCKAGE OF LIBERAL'S LEGISLATIVE PROGRAM.	51
IV. THE FIRST YEAR OF ASQUITH'S LEADERSHIP	74
V. LLOYD GEORGE AND THE BUDGET OF 1909.	98
VI. CONSTITUTIONAL CRISIS AND TWO GENERAL ELECTIONS. . .	120
VII. THE PARLIAMENT BILL AND SOCIAL REFORM.	146
VIII. INCREASING DIFFICULTIES OF THE LIBERAL GOVERNMENT. .	167
IX. THE LIBERAL PARTY HEADED FOR DISASTER.	195
X. THE END OF THE LIBERAL ERA	210
XI. CONCLUSIONS.	227
APPENDIX	237
BIBLIOGRAPHY	238

INTRODUCTION

Graham Wallas, writing in his book *Human Nature in Politics*, said of political parties:

The party is, in fact, the most effective political entity in the modern national State. It has come into existence with the appearance of representative government on a large scale; Something is required which can be loved and trusted, and which can be recognized at successive elections as being the same thing that was loved and trusted before; and a party is such a thing.¹

During the course of the Nineteenth Century, the British party system was radically altered. The loosely organized and disciplined Whig and Tory parties gave way to highly organized and disciplined political machines. The old Whig party, which assumed the name "Liberal" in mid-century, led the way by creating a centralized national party organization during the late 1860's and 1870's. Following the example set by Joseph Chamberlain and his Birmingham Liberal Federation, the Liberal Party established Liberal Federations throughout Great Britain in order to influence and organize the growing electorate behind the Liberal cause and Liberal candidates for Parliament.

This activity on the part of the Liberal organization forced the hand of their political opposition, the Conservative Party. Faced with the results of the effective Liberal organization of the electorate in Birmingham, and the spread of Liberal Federations throughout the nation, the Conservatives responded by creating their own highly centralized national organization. As a result, the character of English politics was dramatically altered in the course of a single decade.

¹Graham Wallas, *Human Nature in Politics*, (New York: F.S. Crofts & Co., 1937), pp.103-104.

While this centralizing process was taking place, and it continued to grow in its effects through the remainder of the nineteenth century and into the twentieth, the Liberal Party was in power on four different occasions. Under the leadership of Gladstone, the party held office from 1868 to 1874; 1880 to 1885; and again from 1892 to 1895. During this latter Liberal administration, Lord Rosebery replaced Gladstone as Prime Minister in 1894, but all of these Liberal periods of power were dominated by the figure of Gladstone.

The fourth and final period of Liberal rule in Great Britain came with the overwhelming victory of Liberal candidates in the General Election of 1906. For the next nine years, first under the leadership of Sir Henry Campbell-Bannerman, and then under the Premiership of H. H. Asquith, the Liberal Party held power. It seems almost incredible, but within a dozen years after the great victory of 1906, the Liberal Party was so divided and weakened that it was never able to form a government again. The party that had shown the way to effective political organization in a democratic State having a mass electorate, seemed to have lost its political power almost overnight. It is with this issue that this paper is concerned. Why did the Liberal Party lose its political effectiveness so rapidly?

The period taken for examination is that of the last peacetime Liberal Government dating from the General Election of January 1906 until the outbreak of the First World War in August 1914. Although the causes for the decline of such a great political party can not be confined within the limits of such a fine dichotomy of time, it is hoped that the examination of this critical period may

shed further light on the circumstances, in part, at least, underlying the fall of the Liberal Party.

Principal emphasis will be upon the domestic legislative program of the Liberal Party in these years, although some attention will be given to external affairs which had a bearing upon the unity of the party, such as the settlement of the South African War. With the growth of Socialism, and the birth of the British Labour Party, the Liberal Party was faced with new and greater demands for governmental action in the social and economic life of the community. The future of the party depended upon the manner in which it met the new problems of the Twentieth Century, and the continuing support of the electorate depended upon the party's success in fulfilling the voter's needs and desires through legislative programs. The chapters to follow will consider the major legislative enactments of the period, as well as those bills which failed to pass through Parliament, in hopes that some conclusions may be drawn as to the significance of this legislation in the history of the Liberal Party.

CHAPTER I

THE LIBERAL VICTORY OF 1906

Results of the General Election

Two rather startling results were to be found in the returns of the General Election of January 1906. In the first instance, the Liberal Party had been returned to power with one of the greatest majorities in Parliamentary history. Four hundred Liberals were returned to the House of Commons, while their major political rival, the Conservative Party, returned only 157 members. As was anticipated, the Irish Nationalists secured 83 seats in the new House, but what was not anticipated by the political observers of the election was to provide the second startling result. The newly founded Labour Party, barely six years old, was successful in electing 29 members to the House of Commons.¹ What factors contributed to the success of the Liberal and Labour parties in this election, and what was to be done with the victory they had achieved?

The central issue upon which the Liberals fought the General Election of 1906 was that of Free Trade versus Protectionism. Free Trade had been a basic principle of Liberal belief throughout most of the nineteenth century, and it was a matter of faith that united the party as no other issue was capable of doing. The man primarily responsible for the raising of this issue was Joseph Chamberlain, Colonial Secretary in the Conservative Government headed by Prime

¹For a detailed account of the elections fought by the Labour Party in this period see: G. D. H. Cole, British Working Class Politics, 1832-1914 (London: Routledge & Kegan Paul Ltd., 1941), pp.275 ff. An over-all coverage of the results in the General Elections of 1906 and 1910 is given in the Appendix.

Minister Arthur Balfour. Joseph Chamberlain, the man who had taught the Liberal Party the meaning of organization in the 1860's and 1870's, and then had split that party asunder by refusing to support Gladstone's Home Rule bill for Ireland in 1886, had now succeeded in splitting the Conservative Party on the issue of Free Trade.²

The rift in the ranks of the Conservative Party had started in May 1903, when Chamberlain, upon his return from a tour of South Africa, attempted to persuade his fellow cabinet members to adopt a policy of imperial preference and retaliatory tariffs. By September of this year, the dispute over this policy had become so intense within the Unionist cabinet that it became necessary for the Prime Minister to request the resignation of five cabinet members, including that of Joseph Chamberlain. Once he was out of the cabinet, Chamberlain spent the next two years preaching the gospel of imperial preference and protective tariff throughout the length and breadth of England. In November 1905, he succeeded in converting the National Union of Conservative Associations to his policy of Protectionism, thus threatening Balfour's leadership of the party. If this event had not been enough to convince Balfour that he should resign his office and call for a general election, he was further encouraged along these lines by what seemed to be a serious dispute within the ranks of the Liberal opposition at this time. Perhaps the effects of the split within his own party would be mitigated if the Liberals were also forced to fight a general election when they were divided.

²A discussion of the Free Trade issue of this period can be found in: George Armitage-Smith, The Free Trade Movement and its Results (London: Blackie & Son, Ltd., 1903); W. J. Ashley, The Tariff Problem (London: P.S. Heng & Sons, Ltd., 1903); and William Smart, The Return to Protection (London: Macmillan Co., 1904).

The difficulty within the Liberal Party had arisen out of a speech delivered by Sir Henry Campbell-Bannerman, leader of the Liberals in the House of Commons, on November 23rd at Stirling. He said in part:

If I were asked for advice. . . . by an ardent Irish Nationalist, I would say, 'Your desire is, as mine is, to see the effective management of Irish affairs in the hands of a representative Irish authority. If I were you I would take it in any way I can get it, and if an instalment of representative control was offered to you. . . . I would advise you thankfully to take it'³

It was clear to all that the Liberal leader in the Commons was still committed to Irish Home Rule, even though it might be on an instalment basis. Lord Rosebery, Liberal leader in the House of Lords and former Liberal Prime Minister in 1894-1895, replied two days later that he could never accept this policy. Thus the two leaders of the Liberal Party were deeply split on a major question of policy, and it was of this disagreement that the Conservative Prime Minister Balfour hoped to make political capital. He resigned his office on December 4th, 1905, and left it up to Sir Henry Campbell-Bannerman to try and form a new Government.

Campbell-Bannerman did indeed have trouble in forming a Liberal cabinet that could present a united front in the forthcoming general election.⁴ The Liberals had the issue upon which to fight the Conservatives, Free Trade, but could they present the electorate with a united and harmonious cabinet? Sir Edward Grey, who was expected to become Foreign Secretary in the new Liberal

³The Times, November 24, 1905.

⁴See J. A. Spender, The Life of The Right Hon. Sir Henry Campbell-Bannerman (London: Hodder & Stoughton Ltd., 1923), Vol. II, chap. xxvii.

cabinet, took the position that he could not accept that post unless Campbell-Bannerman was willing to accept a peerage, leaving the leadership of the Liberals in the House of Commons to H. H. Asquith. Grey, along with Asquith and R. B. Haldane, was a member of the Liberal League which stood for the continued unity of the British Empire, hence he had reason to suspect Campbell-Bannerman for his statements on Ireland, as well as the anti-imperialistic attitude he had adopted during the Boer War.

As is so often the case with politicians who have been out of office for some length of time, in this instance a decade had passed since the Liberals had last held office, the prospect of holding power once again proved to be a healing balm for Liberal disagreements. Asquith was persuaded by Campbell-Bannerman to accept the Chancellorship of the Exchequer, and Sir Edward Grey and R. B. Haldane quickly followed his lead by accepting the Secretaryships of the Foreign Office and War Office respectively. Other leading members of the cabinet included John Morley, Secretary for India; James Bryce, Chief Secretary for Ireland; David Lloyd George, President of the Board of Trade; Herbert Gladstone, Home Secretary; Lord Crewe, Lord President of the Council; and John Burns as President of the Local Government Board.⁵

Although there were some unknown quantities in this Liberal cabinet, for example, Lloyd George and John Burns (a Labourite) had never held such high offices in the government, it was on the whole

⁵ The principal cabinet ministers of the Liberal Governments from 1906 to 1914 can be found in: R. C. K. Ensor, England, 1870-1914 (Oxford: The Clarendon Press, 1936), pp.612-614.

a cabinet that could command the respect and attention of the electorate. The Conservative newspaper The Standard said of the cabinet:

Little fault can be found with the disposition of offices among the statesmen available to fill them. The general departments which are responsible for the defence of the country, for its finance, and for its foreign policy, are in the hands of trusted and capable men, on whose patriotism no stigma rests.⁶

The reference to "patriotism" was aimed at those Liberals, particularly Lloyd George, who had openly opposed the Boer War. This Conservative paper was apparently reassured as to the country's safety by the placing of three leading Liberal imperialists, Asquith, Grey and Haldane, in prominent cabinet posts. Another Unionist publication noted:

The Ministry is a strong Ministry and a sound Ministry. Not only are its leading men statesmen of conspicuous ability, but they are, we believe, what is still more important, united by the determination to sink minor differences in order to make the Government lasting as well as powerful. . . . For his wise allocation of the various offices in his cabinet, Sir Henry Campbell-Bannerman deserves the highest praise. In his distribution of posts he has shown not merely no trace of personal feelings or of private jealousy. . . . but he has refrained from any attempt to entrench any one section of his party in the great offices of the Cabinet.⁷

Having managed to put together a formidable cabinet, a fact which the Conservative press was willing to admit openly, and having a great cause with which he might appeal to the electorate, i.e., Free Trade, Campbell-Bannerman called for a dissolution of Parliament on January 8th, 1906, and the General election of 1906 was held between January 12th and 29th. The result, as noted earlier, was a staggering Liberal victory. Free Trade was primarily responsible for this victory, although Liberal candidates also attacked the

⁶The Standard, December 11, 1905.

⁷The Spectator, December 12, 1905.

Unionists on their policy of allowing the importation of Chinese labor into the South African Mines, and the failure of the Conservative Government to reverse the adverse effect which the Taff Vale⁸ court decision had had upon the trade union movement.

The court's decision in the Taff Vale case, which will be discussed at greater length below, made the trade unions liable for damage done by their members during an industrial dispute, regardless of the degree of control exercised by union officials over these members. The trade unions sought relief against this decision through new Parliamentary legislation, and the Liberal Party committed itself in the campaign of 1906 to such legislation as would bring relief to the trade unions. Trade union officials, who had, in any case been the traditional allies of the Liberal Party during the latter part of the nineteenth century, were more than willing to support the Liberals in their fight to maintain Free Trade in return for the promise of legislation to reverse the Taff Vale decision.

Thus, the Liberal cause in 1906 was further strengthened by substantial trade union support. But was this the only party that the trade unions supported in the election of 1906? A new party, the Labour Party, appeared in the House of Commons for the first time as the result of the general election of 1906. Where had it come from, and what effect would the appearance of a third party to its Left have upon the fortunes of the Liberal Party?

The Birth of the Labour Party and the Decline of "Lib-Lab"-ism

As the franchise was extended throughout the nineteenth century by the Reform Acts of 1832, 1867 and 1884, the demand for

⁸Taff Vale Railway Company v. Amalgamated Society of Railway Servants (1901), A.C.426.

working class representation in Parliament grew. At first the demands were weak and came from a poorly organized working class, but as the century progressed, the demands became more insistent and the groups seeking representation began to organize effectively.⁹

The first attempt of any magnitude to organize a working man's party did not occur until 1869, two years after the passage of the Reform Act of 1867 had nearly doubled the electorate from one to two million voters. "The franchise act of 1867 gave votes to a large number of town artisans; the question of direct parliamentary action by trade-unionist members was now much less remote."¹⁰ The impetus for some sort of political organization to secure representation for the working class came from London, but the forces were divided as to the course of action to be followed. One faction felt that the movement should be a strictly trade union movement, while others felt it should be broader in concept and include Radicals who were not of the working classes. These divergent views were finally compromised and in 1869 the Labour Representation League was established in London.¹¹

Although it was hoped that the League would become a national organization, it never extended its influence to any great extent beyond London. One of its great weaknesses was that it lacked any definite program for political action. Ostensively, its main

⁹For origins of the Labour Party see: Francis Williams, Fifty Years' March; The Rise of the Labour Party (London: Odhams Press, 1949); H. Pelling, The Origins of the Labour Party (London: Macmillan Co., 1954); and H. Tracey (ed.), The Book of the Labour Party, Vol. I, 1925.

¹⁰E. L. Woodward, The Age of Reform, 1815-1870 (Oxford: The Clarendon Press, 1938), p. 593.

¹¹An excellent work on early Labour representation is that of A. W. Humphrey, History of Labour Representation (London: Constable, 1912).

purpose was to promote candidates of working class origin, but it supported candidates who were in sympathy with the economic plight of the lower classes. Beyond the vague proposal to foster working class legislation and to safeguard the rights of working men, the Labour Representation League lacked a concrete program.

The height of the Labour Representation League's activity came in 1874 when it put thirteen candidates into the general election of that year. Of these candidates, only two were successful in securing election to the House of Commons, and this was due to the fact that they were not opposed by Liberal candidates. But the League was doomed to collapse because the newly formed Trades Union Congress¹² began to interest itself in the election of working class candidates. At this time, and for some years to come, the Trades Union Congress was composed primarily of highly skilled unionists whose leaders, for the most part, supported the Liberal Party.

In national politics they (members of the T.U.C.) were mostly Liberals, with the strongest possible admiration for Gladstone and Bright; or else (as in Lancashire) convinced Conservatives. . . . They asked for nothing more than a few working-class members in the House of Commons. . . .¹³

Beginning in the mid-1870's, the friendly relations between the trade unions and the Liberal Party developed into a cooperative electoral program which came to be known as "Lib-Lab"-ism. Under "Lib-Lab"-ism, small numbers of trade unionists were supported by the Liberal Party organization in Parliamentary elections, and in return, the trade unions refrained from running independent candi-

¹²For a history of the Trades Union Congress see: William J. Davis, British Trades Union Congress, History and Recollections (2 vols., London: 1910, 1916).

¹³Sidney and Beatrice Webb, The History of Trade Unionism (rev. ed.; London: Longmans, Green & Co., 1920), p.681.

dates in opposition to the Liberals. This cooperation between the trade unions and Liberal Party organization rendered the Labour Representation League impotent, and that body ceased to function effectively after 1880.

For nearly forty years "Lib-Lab"-ism was to continue as a working agreement between the Liberals and trade unionists. However, it did not attain any significance until the general election of 1885.

. . . . the General Election of 1885, following hard upon the Reform and Redistribution Acts, brought a sudden increase in the number of Trade Union M.P.'s from two to eleven. The 'Lib-Labs' in Parliament suddenly became a group large enough to command some attention.¹⁴

Two of these seats won in 1885 were lost the following year, and the annual meeting of the Trades Union Congress called for the creation of a Labour Electoral Committee.¹⁵ This committee acted independently of the Parliamentary Committee of the TUC, and it started to organize local associations throughout the country for the purpose of electing trade union members. The independence of these Electoral Associations created cleavages within the TUC, and the "Lib-Labs" sitting in Parliament did not give their support to the new associations.

The leaders of the Trade Union movement were reluctant to break their ties with the Liberal Party, and the struggle for the adoption of a resolution, by the TUC to create a distinct Labour Party was to continue for nearly two decades more. Typical of the effort being made to convert the TUC to the concept of an independent

¹⁴G. D. H. Cole, British Working Class Politics, 1832-1914 (London: Routledge & Kegan Paul Ltd., 1941), p.98.

¹⁵1886 Trades Union Congress Report.

Labour Party was that made by Keir Hardie at the annual meeting of 1887.

He called upon the Trade Unionists definitely to sever their connection with the existing political parties, by which the workmen were constantly befooled and betrayed, and insisted on the necessity of forming an entirely independent party of Labour to which the whole working-class movement should rally. On the Congress he produced no apparent effect.¹⁶

In 1892, Keir Hardie tried once again to convince the Trades Union Congress that it should support an independent Labour Party, and once again he failed. "Lib-Lab"-ism still dominated the policy of the T.U.C., and the Labour Electoral Associations which had been created in 1886 were now controlled by the supporters of "Lib-Lab"-ism. Seeing that he could not convince the Trade Unionists of the need for an independent Labour Party, Keir Hardie decided to establish such a party without the backing of the TUC.

Founding of the Independent Labour Party

The Independent Labour Party was founded in January 1893 in Bradford at a conference over which Keir Hardie presided.¹⁷ The delegates to the conference came mostly from local Labour parties, with the Social-Democratic Federation and the Fabian Society sending small delegations. Conspicuously absent were the members of the national trade unions and their branches, although they had been invited. Plans were adopted for the establishment of local branch organizations of the new party throughout the country, with the hope that they would be able eventually to unite with local trade union branches. "Lib-Labs" were not to be allowed in the party, and they

¹⁶Sidney and Beatrice Webb, op. cit., p.682.

¹⁷See W. Stewart, J. Keir Hardie (London: National Labour Press, Ltd., 1921), for background on the founding of the Independent Labour Party.

would accept no support from any other political party.¹⁸

During the next two years, the I.L.P. devoted itself to the creation of a local party organization. Though its membership was estimated as about 10,000 in 1895, it put twenty-eight candidates into the Parliamentary election of that year. All of these candidates were defeated, including Keir Hardie. Despite this setback, the leaders of the I.L.P. continued their organizing efforts, realizing that their hopes of success depended upon the course which the trade unions followed. The big opportunity for success came out of the 1899 Trades Union Congress when a resolution was adopted inviting all interested organizations to a conference in London, to be held in February of the following year. The purpose of the conference, as stated in the resolution, was to examine possible steps that might be taken to increase Labour representation in the next Parliament.¹⁹ This conference gave birth to the Labour Party.

The Labour Representation Committee

The conference of January 1900 in London, which found the Labour Party, known at first by the name of Labour Representation Committee, was overwhelmingly trade unionist in the composition of the delegates. G. B. Shaw wrote of the founding of the LRC:

(The LRC) was formed by the Socialist societies and their leaders, with its doors open to the trade unions as such, no matter what their opinion of Socialism. . . . might be. As their voting numbers were overwhelming and their money indispensable, they would have swept out all the Socialists and replaced them with old Conservative or Lib-Lab trade union secretaries if the LRC had been democratically constituted;. . . .²⁰

¹⁸1893 Independent Labour Party Conference Report.

¹⁹1899 Trades Union Congress Report.

²⁰R. T. McKenzie, British Political Parties (London: William Heinemann Ltd., 1955), p.459.

As can be seen from the above statement, the funds and membership of the trade unions were indispensable to the success of the newly formed Labour Party. Of the 141 delegates to the conference, all but twelve represented trade unions having a membership of half a million persons. The three socialist societies which joined in founding the LRC, (the ILP, Social-Democratic Federation and Fabian Society), had only twelve delegates representing only 20,000 members. And yet, the trade unions received only 58% of the seats on the National Executive Committee established by the conference. The maneuvering of the Socialists to obtain a disproportionate number of seats, in relation to their outside membership, indicates the fears they held of the trade unionists reverting to the principle of "Lib-Lab"-ism.

In order to allay any suspicions that the trade unionists might have about the socialists intentions as to the program to be followed, the resolutions adopted by the conference were extremely moderate in tone.²¹ A resolution was adopted which created an independent Labour group in Parliament, but a second resolution permitted active cooperation with other parties, as well as the supporting of non-Labour candidates who were in sympathy with the working class. This latter resolution was welcomed by the trade unionists who were still not sure that they should abandon the support of "Lib-Lab" candidates.

Shortly after the founding of the LRC, it was confronted with the "Khaki" election of 1900. Thirteen candidates were put forward by the LRC and ILP, most of them running in northern industrial areas where it was anticipated that the Labour vote would be

²¹See Resolutions 1 and 2, 1900 LRC Annual Conference Report.

strongest. The results were disappointing. Only two of the thirteen candidates were successful, polling only 55,000 votes out of a total vote cast of 175,000 and in five instances the Labour candidates were not opposed by Liberals. This defeat, coupled with the withdrawal of the Social-Democratic Federation from the LRC in the following year, left the new Labour Party in a weakened and precarious state.

It was at this juncture that the Taff Vale court decision mentioned earlier intervened. Writes G. D. H. Cole of this decision:

The imperative need to secure a reversal by legislation of the effects of the Taff Vale Judgement and of other recent court decisions brought the Trade Unions into politics much more rapidly than any amount of persuasion by the Socialists could have done. It was a matter of life and death.²²

As a result of this attack upon the trade unions through the courts, the number of trade unions affiliated with the new Labour Party rose sharply in 1902-1903. In 1900-1901, trade unions representing a membership of 375,000 workers were affiliated with the Labour Party.²³ By the end of 1903, unions representing 850,000 workers had affiliated themselves with the new party. Though this figure was impressive, it represented less than one-half the trade unionist membership throughout the country at this time²⁴, and it by no means meant that these trade union members would vote as the LRC dictated.

At the annual meeting of the LRC in 1903, a resolution was

²²Cole, op. cit., p.169.

²³For figures on the membership of the organizations affiliated with the Labour Party see: Cole, op.cit., p.306.

²⁴For data on trade union membership throughout Great Britain see: Sidney and Beatrice Webb, op. cit., p.750.

adopted calling for the assessment of dues from each member. From this fund, LRC candidates who were elected to Parliament were to receive two hundred pounds annually. Parliament was not to provide M.P.'s with an annual salary until 1911, and it was therefore difficult for a working class M.P. to enter the House of Commons without some financial assistance. The conference of this year was unable once again to adopt any definite political program, but it did pass a resolution pledging all Labour M.P.'s to follow their leaders in the House of Commons, and to maintain their status as an independent political party in that chamber.²⁵ A motion to invite the "Lib-Labs" to join the Labour Party members in the Commons was defeated at this same session.

The continuing reluctance of the trade unions to discontinue their old ties with the Liberal Party and give their sole support to the new Labour Party was further demonstrated in the Trades Union Congress of 1904.

The Trades Union Congress for its part seems to have been perfectly willing to wean the LRC. When an attempt was made at the 1904 Trades Union Congress to debate certain aspects of LRC organization it was decided that such discussion would be out of order because the LRC was 'an independent and outside body' over which the Congress had no control.²⁶

The TUC wanted a reversal of the Taff Vale decision, and they looked to their old ally, the Liberal Party, for relief from this court decision. They were not willing to risk the future of the trade union movement on a new and untested party, although they were not opposed to the affiliation of individual trade unions to the Labour Party. Thus, on the eve of the general election of 1906,

²⁵1903 LRC Annual Conference Report.

²⁶McKenzie, op. cit., p.464.

there were 158 trade unions with a membership of 904,000 affiliated with the Labour Party. But the party organization was weak, with relatively few local organizations that were capable of fighting a general election against the two major parties.

How did such a party manage to elect twenty-nine members to Parliament? The answer to this question was that the Liberal Party refrained from running candidates in twenty-four of the twenty-nine constituencies where Labour candidates were running. Of the twenty-one contests lost by Labour candidates, they were faced with both Liberal and Conservative opponents. In all these instances, save one, the Liberal polled substantially more votes than the Labour candidate. Had the Liberals chosen to oppose all independent Labour candidates, it is highly unlikely that the Labour Party could have secured ten seats in the new Parliament. Why had the Liberals made it so easy for the Labour Party candidates, and what were the implications of this election in so far as the future of the Liberal Party was concerned?

Significance of the General Election of 1906
for the Liberal Party

It is apparent from the manner in which the Liberal Party cooperated with the Labour Party in the election of 1906, that the Liberal leaders had no great fear of, or desire to crush, this infant party. Had not the trade unions affiliated with the LRC consistently refused to adopt a program of Socialism?²⁷ The most these unions had committed themselves to was the election of working-class candidates to Parliament. The Liberals were not opposed to this

²⁷For an instance of this attitude see the 1905 LRC Annual Conference Report.

principle, for they had actively endorsed and supported "Lib-Lab" candidates for nearly thirty years. In the 1906 election they had aided no less than twenty-four "Lib-Lab" candidates in securing seats in the Commons. Why be concerned over the addition of a few more working class M.P.'s?

Certainly the new Prime Minister, Sir Henry Campbell-Bannerman, was not unduly concerned over these Labour candidates. His biographer notes:

As Prime Minister, Campbell-Bannerman always used his influence to prevent recrimination between Liberal and Labour, and he was not a little annoyed when, in the autumn of 1906, the Master of Elibank, then a Junior Whip, appeared to be taking²⁸ the field against Labour in a series of speeches in Scotland.

This sympathetic attitude of the Prime Minister towards Labour candidates, and the working class in general, further aided the new party when it needed assistance most. Also, from the standpoint of election strategy, the Liberals chose the most prudent course. As noted above, they could have seriously damaged the Labour candidates by running Liberals against them and making the fight in these constituencies a three-cornered one. Though this course would probably have defeated the Labour candidate, it might have insured the Conservatives of victories in these constituencies. With Free Trade under attack, the Liberals did not want to risk the loss of a single seat through a three-cornered contest, and because of this the wisest course was to cooperate with the Labour candidates wherever it was possible.

In the light of later events in the history of British political parties, it seems that the Liberal Party in 1906 drove the

²⁸J. A. Spender, The Life of the Right Hon. Sir Henry Campbell-Bannerman (London: Hodder & Stoughton Ltd., 1923), Vol. II, p.225.

first nail into its own political coffin. Had the Liberal leaders realized the danger of allowing the trade unions to drift into the Labour Party and support independent candidates; had the Liberals been less concerned with Free Trade; or had the Liberals been able to foresee their overwhelming victory; the party could have demonstrated for the benefit of the trade union movement the inadvisability of supporting independent Labour candidates. The Liberals by opposing all independent Labour candidates, while at the same time supporting "Lib-Labs", would have undoubtedly weaned the drifting trade unions back into the fold of "Lib-Lab"-ism. The Miner's Federation, by far the largest single trade union with a membership of over half a million, continued to support "Lib-Lab"-ism until 1909. And as we have seen, the majority of the trade unions were far from being safely in the fold of the Labour Party.

But even if the Liberal leadership had had the foresight, and the political conditions been right in 1906, so that a course of action as outlined above could have been followed by the Liberal Party, mere astute maneuvering at a Parliamentary election would not have been enough to end the life of the Labour Party forever. There had to be something more. That something was social reform.

Social reform on a grand scale was overdue.²⁹ The fate of the Liberal Party depended upon what it did with the new lease of power acquired in 1906. Lloyd George, perhaps more than any other Liberal at this time, appreciated the need for action, and it is

²⁹The pressing need for social and economic reform can be seen from such works as follows: Charles Booth, Life and Labour of the People of London (8 vols.; London: Macmillan Co., 1904); Edward G. Howarth and Mona Wilson, West Ham (London: Outer London Inquiry Committee Report, 1907); and B. S. Rowntree, Poverty: A Study of Town Life (London: Macmillan Co., 1901).

worth quoting his words at length on this point. In a speech given at Cardiff in October 1906, he said:

You must remember that up to the present there has been no real effort to counteract the socialist mission amongst the workmen. When that effort is made you may depend it will find its adherents even amongst working men. Common sense bids Liberals and Labour to get along together as far as we can to-day, and not to block the road of progress by standing on it in groups to quarrel about the stage we hope to reach the day after to-morrow. . . . But I have one word for Liberals. I can tell them what will make this independent Labour Party movement a great and sweeping force in this country. If at the end of an average term of office it were found that a Liberal Parliament had done nothing to cope seriously with the social conditions of the people, to remove the national degradation of slums and widespread poverty and destitution in a land glittering with wealth, that they had shrunk to attack boldly the main causes of this wretchedness. . . . then would a real cry arise in this land for a new party, and many of us here in this room would join in that cry.³⁰

This went to the heart of the matter. What would the Liberal Government that assumed office in 1906 do with regard to the standard of living of the working class people of Great Britain? If the Liberal Party failed to enact a vigorous and effective legislative program of social reform, then the working classes and the trade unions would look elsewhere than to the Liberals for the changes they desired.

And what were the legislative plans of the new Liberal Government? What were they committed to? The ex-Prime Minister, Arthur Balfour, wrote shortly after the new Government took office:

Never was there in the history of this country a case in which so large a majority was brought together without any great cause which it wanted to carry into effect, without any great name which it desired to follow, without any great personality to direct and guide its efforts. . . . and the last person I think I should ask as to whither the Government is going and what they are going to do is the Prime Minister who is at the head of it.³¹

³⁰Max Beer, A History of British Socialism (London: G. Bell & Sons, Ltd., 1920), Vol. II, pp. 348-349.

³¹The Times, February 15, 1906.

There was indeed a large element of truth in Balfour's remarks. "The programme on which the new majority had been returned was undoubtedly first and foremost purely negative opposition to tariff reform which the Liberals regarded as reactionary."³² The Liberals had fought the election primarily on the basis that if they were returned to power they would continue a policy of Free Trade. This issue had overshadowed all others, and it was difficult to discern just what the Liberals would do besides continuing a fiscal policy based on Free Trade. They had, of course, promised to reverse the evil effects of the Taff Vale on the trade unions. In addition, they were committed to finding a settlement to the problems of South Africa; a vague policy for the solution of the Irish question; and a new Education bill.

Though some Liberals had spoken of social reforms during the course of the election campaign, there was nothing of a specific character to which one could point and say, "This is the beginning of a new era of Liberal reform." What the Liberals did, and failed to do, and how these events affected the future of the party, is presented in the following chapters.

³²Elie Halevy, A History of the English People in the Nineteenth Century, Vol.VI, Book I, The Rule of Democracy (2d ed. rev.; London: Ernst Benn Ltd., 1952), pp.11-12.

CHAPTER II

THE LIBERAL LEGISLATIVE PROGRAM OF 1906

King Edward VII formally opened the new Parliament on the 19th of February, 1906. In the King's Speech he outlined the legislative program that the new Government would seek to pass in the forthcoming session. After devoting the first half of his address primarily to international relations, the King indicated that the Liberals would seek to enact the following legislation:

A Bill will be laid before you at the earliest possible moment for amending the existing law with regard to Education in England and Wales. Bills will also be submitted to you for dealing with the law regulating Trade Disputes, and for amending the Workmen's Compensation Acts; for the further Equalisation of Rates in the Metropolis, and for amending the Unemployed Workmen Act. . . . and for the prevention of plural voting in Parliamentary Elections.¹

Also mentioned in the speech were bills concerned with merchant shipping, colonial marriages, agricultural holdings in Scotland, commercial corruption, Irish laborers and a vaguely worded section implying some sort of future Irish participation in the conduct of their own government.

Of these measures, the Education Bill, the Trade Disputes Bill and the Plural Voting Bill were the most important parts of the Liberals legislative program for 1906. Equality of educational opportunity and the elimination of plural voting had been part of the Liberal creed for a great many years, while the problems surrounding trade disputes had become an issue primarily after the Taff Vale decision. A fourth major issue in this legislative session concerned the position of South Africa in the Empire. Although

¹H. of L., February 19, 1906 (Parliamentary Debates, 4th Series, Vol. clii, p.24.)

this latter issue is not primarily domestic in character, it bears consideration in this chapter because of its historic impact upon the Liberal Party. The success or failure of the new Liberal Government can thus be evaluated on the basis of what they achieved in these above mentioned areas of legislation, and consideration will now be given to each of these measures in greater detail.

The Education Bill of 1906

The Education Bill which was introduced in 1906 by the President of the Board of Education, Augustine Birrell, represented an effort on the part of the Liberal Party to satisfy the strong Nonconformist element within the party which had violently objected to certain clauses of the Education Act of 1902. The Protestant nonconformists alone comprised a bloc of 42% of the Liberal majority, and when Catholics and Jews were added to this group in the Commons, nearly 44% of the entire membership of that chamber were not members of the Church of England.

Considered as a whole, the Education Act of 1902², to which the Nonconformists were strongly opposed, had been a great step forward in promoting educational opportunities for the masses in Great Britain. To the credit of the Unionist Party, the Act of 1902 had abolished the dual school system which had divided the responsibility for public education between county and county borough councils on the one hand and independent school boards on the other. This dual authority had created a chaotic situation in which the various authorities struggled for supremacy in the field of education.

²For the background of the educational system in Great Britain up to 1902 see: Sir Graham Balfour, The Educational System of Great Britain and Ireland (Oxford: The Clarendon Press, 1903).

Under the terms of the Education Act of 1902, board schools were abolished and the local units of government became responsible for the public school system. To this the Nonconformists had no objection. However, the act also provided that the "voluntary" schools (denominational in character) should receive support from local taxes (rates). This latter provision appeared to Nonconformists as a bold attempt to save the financially weak denominational schools, particularly those schools run by the Church of England. In the small county parishes, where the Church school was usually the only school, Nonconformists had no other choice but to send their children to these schools. As the Church schools had become progressively poorer in financial resources, it had been hoped by the Nonconformists that they would have to give up their operations and leave the educational system to the local units of government. But the Act of 1902 offered them funds from the local rates, and this support coupled with the grants from the Established Church was enough to save them.

The howl of the Dissenters could be heard from John O'Groats to Land's End, and Lloyd George, a most vocal leader of his Welsh countrymen who sought the disestablishment of the Church of England in Wales, fought the Education Bill of 1902 to the bitter end.³

Give the children the Bible if you want to teach them the Christian faith. Let it be expounded to them by its Founder. Stop this brawling of priests in and around the schools, so that the children can hear Him speak to them in His own words. I appeal to the House of Commons now, at the eleventh hour, to use its great influence and lift its commanding voice and say: 'Pray silence for the Master!'⁴

³On the problems surrounding the Education Bill of 1906 see: G. K. A. Bell, Randall Davidson Archbishop of Canterbury (London: Oxford University Press, 1935), Vol. I, chap. xxix; and E. M. Allen, Sir Robert Morant (London: Macmillan Co., 1934)

⁴Malcolm Thomson, David Lloyd George (London: Hutchinson & Co., 1951), p. 146.

But even the eloquence of Lloyd George was not enough to stop the passage of the bill, and thus when the Liberals came into power in 1906, it was to be expected that a new Education Bill would be introduced to amend those sections of the Act of 1902 to which the Nonconformists objected. There was no question of repealing the Act in its entirety, for this would have destroyed all of its beneficial effects. However, the task of revising the Bill was no easy matter and the solution adopted indicates once again the coalition character of the Liberal Party.

The Cabinet was deeply divided on the type of bill that should be presented to the Commons. Lord Ripon, a devout Roman Catholic, and Lloyd George, a champion of the Nonconformists, were diametrically opposed on this issue. The former sought to preserve the status of the denominational schools, while the latter was seeking complete secularization of the school system. The solution finally adopted by the Cabinet and introduced in the Commons by Birrell on April 9th, 1906, was of necessity a compromise that satisfied very few members of the Government or the Opposition.

When introducing the new Education Bill for its First Reading, Birrell noted:

For forty years long have we dwelt in the wilderness of strife and contention and mutual suspicion; and during that period we have become, all of us, only too well acquainted with the one single aspect of the educational problem which bears the ill-omened name of the religious difficulty. It is not the most important aspect. Unhappily, it is the one which attracts the most notice.⁵

If the President of the Board of Education had any delusions concerning the attitude of the Commons towards his bill, they

⁵H. of C., April 9, 1906 (Parliamentary Debates, 4th Series, Vol. clv, pp.1017-1018.)

were soon dispelled by Lord Robert Cecil during the course of debate on the First Reading. He said in part:

When this matter comes to be considered in the impartial pages of history I believe there will be something which historians will find it very difficult to explain, namely, that a great body of religious thought, comprising, as I know it does comprise, some of the most religiously minded men of this country, was yet largely instrumental in dealing what I cannot but believe will be a death blow to the religious education of the children of this country. . . . All I can say for myself and for those who agree with me on this side of the House is that we at any rate will be guiltless in this matter. We will do everything that we can to prevent the consummation of this crime against the religion of the country. . . .⁶

The reasons for such strong opposition to the bill by Churchmen were readily found in the new bill. The bill provided that in the future no school would be recognized as a public elementary school unless it was supported by local taxes and came under the supervision of the local government authority. Cowper-Temple⁷ religious instruction was to be given in all schools, with the teachers being entitled to refuse to give such instruction on the grounds of differing religious beliefs. This section of the bill satisfied the Nonconformists, but it was necessary to give concessions to the other religious sects that were not so pleasing to the Protestant nonconformist.

Denominational schools in the rural areas were to be allowed to have religious instruction two hours a week, but such instruction was not to be given during regular school hours or by teachers whose salaries were paid out of local taxes. In urban areas, denominational schools were to be allowed to continue religious instruction

⁶ Ibid., p.1094.

⁷ An amendment added to the Education Act of 1870, named after the M.P. who introduced it, which forbade denominational instruction in State supported board schools.

if four-fifths of the parents requested such instruction, and such schools would still be eligible for financial support from public funds.

The great debate over the Education Bill raged from early April until the middle of December, both inside and outside the House of Commons. In the Commons itself, Arthur Balfour took every opportunity to exploit the divisions within the Government's ranks, and indeed the opportunities were numerous. Anglicans and Roman Catholics demanded the continuation of denominational schools; the Nonconformists wanted universal Cowper-Templeism; members of the Labour Party wanted complete secularization of the public schools; and others desired a hybrid form that would leave the denominational schools as they were while the State supported public schools would become completely secular.

So much time was being consumed on the bill through debate and numerous amendments, that the Liberal Government introduced a guillotine-closure in June in order to bring the bill to a final vote. The bill finally passed its Third Reading on July 30th, but the real fight was just beginning. The Bishop of London indicated how difficult the opposition ahead would be when he said, "Churchmen contend for free and full teaching of the Bible as opposed to extracts selected by County Councils. . . . and we are all united against the Bill."⁸

The attitude of the Unionist press for the most part is indicated by the following:

Do Mr. Birrell and do the Liberal Party suppose that Churchmen and Catholics worthy of the name are going to surrender their children's faith to the secularists at the command of any

⁸Morning Post, June 23, 1906.

majority of the House of Commons? The present Bill endows Nonconformists at the expense and to the detriment of all other denominations, and will, therefore, every day in the year outrage the conscience of Churchmen and Catholics throughout England.⁹

The editor of the above statement neglected to mention that the Conservative majority of 1902, which was greatly inferior to the Liberal majority of 1906, had passed an Education Bill that had outraged Nonconformists for four long years. Such a dim view of the bill was not taken by all of the Opposition press however.

The last shreds of denominational or clerical management are thus swept away; and a great step is taken towards the establishment of one uniform national system. With this it is useless to quarrel. It was probably inevitable; and Mr. Birrell was perhaps right in intimating that so long as the dual system remained, we could have neither peace nor progress.¹⁰

Even though some elements of the Conservative press might have been willing to accept the Education Bill, the House of Lords was certainly not in a like mood.

The House of Lords Opposition to the Education Bill

The Lords passed the bill through its Second Reading in August before adjourning for the Fall Recess. But when they re-assembled in October, the Lords proceeded to amend the bill during November and December in such a fashion so as to distort completely the original intent of the Government. Their actions during these two months stimulated a Liberal reaction that ultimately culminated in the Parliament Act of 1911 that destroyed the power of the House of Lords.

Through their amendments, the Lords not only restored the right of teachers to give denominational religious instruction if

⁹Daily Mail, June 19, 1906.

¹⁰The Times (London). April 10, 1906.

they desired to, but also empowered the County Councils to provide for denominational training if they so chose. They went even further by providing that no school should receive public funds unless there was some provision for religious instruction. The Welsh Educational Council that had been created in the original bill was also abolished by the Lords' amendments. The Lords' version of the bill was as far from what the Government had proposed as any measure could have been, and it appeared that there could be little hope for a compromise.

As the situation deteriorated during the month of November, King Edward VII became more concerned over the prospects of a showdown struggle between the two Houses of Parliament. He conferred quite frequently with Sir Henry Campbell-Bannerman during this period and on the 25th of November the King wrote the Prime Minister:

In view of the serious state of affairs which would arise were a conflict to take place between the House of Lords and the House of Commons on the amendments passed by the former House on the Education Bill, the King feels certain that Sir Henry Campbell-Bannerman will agree with him in thinking it is most important that there should, if possible, be a compromise in respect to these amendments.¹¹

The King went on to suggest in his letter that the Prime Minister meet with the Archbishop of Canterbury, which he did the following day, but the Archbishop still maintained the position that teachers should remain free to give religious instruction if they so desired. The Liberals could not concede on this point for it would mean that the Church would be getting public funds and at the same time would retain the power to dismiss teachers who refused to give denominational instructions.

¹¹ J. A. Spender, The Life of The Right Hon. Sir Henry Campbell-Bannerman (London: Hodder and Stoughton Ltd., 1923) Vol. II, p. 302.

When the Lords sent their amended version of the bill to the House of Commons on December 6th, the Cabinet had to make a decision for which there was no precedent. The question which arose concerned the manner in which the Lords' amendments should be considered in the Commons. The Cabinet decided that to consider the amended bill in a normal fashion, that is, considering it once more clause by clause, would entail many more days of debate, and as it was, the bill had already consumed the better part of the Commons' time for nearly a year. The decision was made to reject the Lords' amendments en bloc, previously unused as a parliamentary procedure, in hopes that such action would encourage the Lords to assume a more moderate position with respect to their amendments.

It was politically impractical for the Liberal leaders in the Cabinet to take any other step than the one they chose, for the whole of the Liberal Majority in the Commons was outraged at the actions of the House of Lords. The Liberal majority could not tolerate such a defeat less than a year after its great victory at the polls. Birrell announced the Government's decision to reject the amendments en bloc on the 10th of December, and the Opposition, led by Arthur Balfour, bitterly attacked the maneuver. It appeared that all possible grounds for compromise had been destroyed. Nevertheless, an attempt was made in private discussions between Lord Lansdowne and Birrell to find some solution to the impasse, but their discussions were fruitless.

On the 19th of December, Lord Lansdowne proposed his resolution in the House of Lords that proved to be the death blow to the Education Bill of 1906. In moving his resolution, he said:

. . . . But I, for one, say that if I saw the slightest prospect of arriving at an amicable solution of this question

I would gladly prolong the session into the next year, and far into the next year. . . . These Amendments, I fear, hopelessly bar the way to such an arrangement; and therefore, with the most profound regret, I stand here to move the resolution That this House do insist upon its Amendments.¹²

The resolution was carried by 132 to 52 votes, but not before Lord Crewe, Liberal President of the Council, had warned the House:

Noble Lords and right rev. Prelates have chosen war in this matter rather than peace. Your Lordships have chosen to open the sluice-gates and to let free the flood of sectarian unrest and religious passion. What the flood may destroy and sweep away in its course I am not going to attempt to predict. But I think it exceedingly likely that during the coming months a great many very harsh things will be said on both sides, and I am afraid some harsh things may be done.¹³

The harsh words were not long in coming, for on the next day, the Prime Minister in moving the formal withdrawal of the Education Bill spoke quite bluntly.

It is plainly intolerable, Sir, that a second Chamber should, while one Party in the State is in power, be its willing servant, and when that Party has received an unmistakable and emphatic condemnation by the country, the House of Lords should then be able to neutralise, thwart, and distort the policy which the electors have approved. That is the state of things that for the moment--for the nonce--we must submit to. . . . But, Sir, the resources of the British Constitution are not wholly exhausted, the resources of the House of Commons are not exhausted, and I say with conviction that a way must be found, a way will be found, by which the will of the people expressed through their elected representatives in this House will be made to prevail.¹⁴

This was one of the most effective speeches that Campbell-Bannerman made in his short career as Prime Minister, and he undoubtedly captured the feeling of the large majority that he had behind him in the Commons. But oratory could not cover up the fact

¹² H. of L., December 19, 1906 (Parliamentary Debates, 4th Series, Vol. clxvii, pp.1381-1382.

¹³ Ibid., pp.1390-1391.

¹⁴ H. of C., December 20, 1906 (Ibid., pp.1739-1740.)

that the Liberal Government had sustained a major defeat. It was evident from the Prime Ministers' speech that he did not intend to let this defeat go by without a fight. How and when this controversy between the two Houses was to be settled remained an unanswered question for the moment, but Liberals were confronted with the immediate fact that a major share of their legislative travail for the year 1906 had been destroyed. The Liberal Party could not hope to maintain the support and confidence of the British electorate if the party proved to be politically ineffective. It was extremely important that the Liberals capture the imagination of the voters with a progressive legislative program, for it was quite evident that the working classes of Great Britain were taking a much more active interest in political remedies as a solution for their social and economic problems.

If the Liberals lost the support of the large masses of trade unionists, it would be extremely difficult for the party to ever assemble such a majority as they enjoyed in 1906. The Liberal Governments of 1886 and 1892-1895 had held office at the pleasure of the Irish Nationalists who controlled the balance of power within the Commons with their solid bloc of some eighty-odd votes. This situation might well arise again, and in addition to the Irish, there was now the small but solid core of the Labour Party to be considered.

The Liberals had to produce or suffer the consequences. The loss of the Education Bill was certainly a blow to their prestige, and they could ill afford many such defeats. But this was not the only defeat for the Liberal Party during this year. The Plural Voting Bill was also rejected by the House of Lords.

Rejection of the Plural Voting Bill

The Plural Voting Bill, which was introduced in the Commons on May 2nd, 1906, sought to bring to an end an electoral evil that the Liberals considered an anomaly in an advanced democratic State. The various Reform Acts of the 19th Century had extended the franchise greatly, but none of these acts had touched upon the right of qualified persons to vote in as many constituencies as they liked so long as they met the residence and property requirements of each electoral district. This meant that a man who owned a town and country residence, and perhaps one or more places of business, might be able to cast three, four or more votes in a General Election.

It was estimated in 1906 that between 500,000 and 600,000 persons were entitled to cast more than one vote, and as the Unionist Party contained the greatest proportion of the propertied classes in Great Britain, this was a distinct political advantage for them. Thus it was to be expected that there would be strong opposition, both in the Commons and Lords, to a measure that would reduce their voting strength throughout the country, particularly in the rural areas. To defeat the measure, the Opposition used the tactics that they had employed in 1884 to extract concessions from Gladstone in the electoral reform act of that year. They argued then, as they now did in 1906, that any electoral reform should consider all aspects of the franchise and not just one phase of it.

Lord Lansdowne made this point clear when he spoke against the bill on December 10th in the House of Lords. He noted:

The Bill has been recommended to us upon one ground, and one ground only--namely, that this is a Bill intended to remove what noble Lords opposite are pleased to call an anomaly in our electoral system. . . . But whether it be an anomaly or not,

it is certainly not the only anomaly to be found within our electoral system.¹⁵

He then went on to point out the anomaly of unequal representation caused by the use of majority or plurality voting results in single member constituencies as opposed to some scheme of Proportional Representation. There was of course great validity in this analysis of the electoral system, however, the point was taken by Lord Lansdowne and other Conservative Lords as a justification of their rejection of the Plural Voting Bill which threatened an advantage held by the propertied classes.

Campbell-Bannerman had demolished A. J. Balfour's defense of the plural vote in the Commons debate on December 3rd. He taunted the leader of the Opposition by saying:

If plural voting was almost essential to the constitution, and if the rigid representation of locality was essential, why had the Party opposite, at any time during the past twenty years, when they could do it, not given the power of plural voting to the workman and the clerk. . . . That could not be done because they had no property qualifications in their workshops or places of business. . . . so that even underneath these high-flying doctrines of public interest and the necessity of recognising the claims of localities they came down plump upon the old friend property, which was really the foundation of the whole opposition to this Bill.¹⁶

Nothing, however, that the Prime Minister could say or do in the House of Commons was enough to get the bill through the Lords. The bill passed its Third Reading in the Commons on December 3rd after prolonged consideration and numerous delays caused by Opposition amendments. It took the Lords just one week to consider the bill and reject it upon the Second Reading by a vote of 143 to 43. The hopes of the Liberals for attainment of the principle of

¹⁵H. of L., December 10, 1906 (Ibid., 4th Series, Vol. clxvi, p.1509.)

¹⁶H. of C., December 3, 1906 (Ibid., p.678.)

"one man, one vote" were dashed for the time being, and it was not until the passage of the Parliament Act of 1911 that it became possible to pass the bill over the Lords' veto. Even then, the First World War intervened before it could be passed under the terms of the Parliament Act, and the elimination of plural voting remained a task for parties other than the Liberal Party.

Whereas the Liberals were unsuccessful in enacting this bill and the Education Bill, they were to have more success with their South African policy.

The Liberal Party and South Africa

One of the issues upon which the Liberals fought the General Election of 1906 was that of Chinese labor in South Africa. This was just one aspect of the larger problem of imperial relationships that had resulted from the Boer War. The question which had to be answered was that of South Africa's position within the Empire and the form of government that former colony should have.

This problem renewed an old controversy within the ranks of the Liberal Party, a controversy that had split the party during most of the nineteenth century. The warring factions within the party consisted of the "Little Englanders," a group whose slogan was "peace, retrenchment and reform," who were opposed to the concept of Empire, and the Liberal Imperialists who favored a strong and united Empire.

The hostility between the two Liberal groups at the end of the century was still further inflamed by the South African War. As Rosebery put it, there existed between them 'a sincere, fundamental and incurable antagonism of principle.' They held differing conceptions of the Empire.¹⁷

¹⁷Hamilton Fyfe, The British Liberal Party (London: George Allen & Unwin Ltd., 1928), p.157.

Lord Rosebery had resigned as leader of the Liberal Party in 1896 because he could not agree with the foreign policy of the "Little Englanders," who were led by Sir William Harcourt in the Commons. The division within the party was so great that it was impossible to agree on a new leader upon Rosebery's resignation. Harcourt soon found his position as leader of the Commons intolerable because of the party strife, and he resigned his post in that chamber in December 1898.¹⁸

With Harcourt's resignation, it was left to Campbell-Bannerman, Asquith, Bryce and Fowler (the four remaining Liberal ex-Cabinet members left on the front Opposition bench), to choose a new leader of the Commons. The choice fell upon Sir Henry Campbell-Bannerman, since he had had the longest service in the Commons amongst these Liberal leaders. Thus, he more or less backed into the leadership of the party, and eventually the Prime Ministership, through the resignations of Rosebery and Harcourt.

When the Boer War broke out in October 1899, the new leader of the Liberals found himself in an almost impossible situation. H. H. Asquith and Sir Henry Fowler were for giving whole-hearted support to the Unionist Government, while Bryce, with loud vocal support from David Lloyd-George, opposed the Government's actions both before and after the outbreak of war. Campbell-Bannerman attempted to steer a middle course between the two factions in his party, but his sympathies lay with those who criticized the Government as can be seen from a speech he delivered in August 1901 at Peckham.

¹⁸The detailed accounts of the trouble within Liberal ranks at this time can be found in: Marquess of Crewe, Lord Rosebery (London: Harpers & Brothers Ltd., 1931); and A. G. Gardiner, The Life of Sir William Harcourt (2 vols.; London: Constable, 1923).

I have denounced and, Heaven helping me, will continue to denounce all this stupid policy of farm-burning, devastation, and the sweeping of women and children into camps. . . . It is no longer a question whether the war was just or unjust, it is a question whether it should be prosecuted at all hazards and by all means. This would mean the extermination of the people against whom we are fighting. I ask you have the British people given their sanction to this?¹⁹

Speeches similar to this, given by Lloyd George, John Morley, Bryce and Harcourt, soon earned this section of the party the label of "Pro-Boer." The Unionists attempted to capitalize on what they considered an anti-patriotic attitude in the Liberal Party by calling a dissolution of Parliament in September 1900. However, the results of the "Khaki Election" that followed did not reveal any overwhelming anti-Liberal sentiment amongst the electors. The Unionists increased their majority by only four votes in the Commons. But the internal division within the Liberal Party still remained after the election. During the electoral campaign, Campbell-Bannerman had called for a quick ending to the war and granting of self-government to the Transvaal and Orange River Colony as soon as possible.

His attempts at moderation were ignored to a large degree, for as the war was prolonged, the two extreme wings of the party increased the violence of their attacks upon one another. This internal feud did not begin to subside until the peace treaty ending the war was signed in May 1902. Coupled with the cessation of hostilities was the introduction of a new Unionist Education Bill, and shortly thereafter the dispute over Free Trade began. These factors were sufficient enough to cause the Liberals to close their ranks and forget, for the moment at least, their differences on foreign

¹⁹S. MacCoby (ed.), The English Radical Tradition, 1763-1914 (London: Nicholas Kaye, 1952), pp.216-217.

policy and the Empire.

Between the signing of the Treaty of Vereeniging, that brought the Boer War to an end in 1902, and the ultimate Liberal victory at the polls in 1906, several important events occurred that altered Liberal policy toward South Africa. Under the terms of the treaty, the Boers lost their independence but otherwise they received rather liberal concessions. They were allowed to retain all of their properties and the use of the Dutch language in the schools and law courts was to be allowed. Funds were provided by the British Government to aid in the restoring of destroyed farms, and a promise given that representative government would be restored as soon as possible.

For the next few years, the Transvaal and Orange River Colony were governed as Crown Colonies under the direction of Lord Milner.²⁰ But the Boers refused to participate in Lord Milner's Legislative Council until further self-government was extended to them. Meanwhile, the Balfour Government had allowed Rand gold mine owners to import Chinese labor to work their holdings starting in 1902, and the conditions under which these Chinese worked was little better than slavery.

The unrest caused in the Transvaal and Orange River Colony by these events resulted in the adoption of a new constitution for the Transvaal by the Unionist Colonial Secretary, Alfred Lyttelton, on March 31st, 1905. The new constitution excluded the Orange River Colony and provided for a Legislative Chamber that was only partially elected and whose legislative power was subject to the veto of

²⁰See William Basil Worsfold, The Reconstruction of the New Colonies under Lord Milner (London: Kegan Paul, Trench, Trubner & Co., Ltd., 1913).

the Lieutenant-Governor. Executive control still remained entirely under the control of the Crown representatives.

When the Liberals came into power in 1906, Sir Henry Campbell-Bannerman was in favor of sweeping the slate clean and establishing true self-government in these areas. There was some protest from the Liberal Imperialists within the Cabinet to such a rapid and sweeping approach to the conferring of responsible government upon the Boers, but the Prime Minister was not to be dissuaded from such a course. The Lyttelton Constitution was withdrawn on February 13th, 1906, and a committee headed by Sir Joseph West Ridgeway was sent to the Transvaal to survey the entire problem. This committee reported back to the Cabinet in the middle of July, and on July 30th, Winston Churchill, Under-Secretary for the Colonies, announced in the Commons the Government's intention to confer responsible government in the Transvaal.

The Letters Patent granting self-government were issued on December 17th, 1906, and both Houses of Parliament passed confirming resolutions without a division. Similar Letters Patent were issued for the Orange River Colony the following June, and these two actions combined paved the way for the creation of the Union of South Africa which followed in 1909.²¹

This was perhaps the greatest triumph of Campbell-Bannerman's political career. He had suffered abuse and scorn throughout the Boer War and yet he steadily maintained his firm position that self-government should be extended to the Transvaal and Orange River Colony as rapidly as possible. Austen Chamberlain, an outstanding

²¹This phase of the South African question is discussed fully in: Robert H. Brand, The Union of South Africa (Oxford, The Clarendon Press, 1909).

Conservative M.P. and holder of numerous Cabinet posts under various Conservative governments, later admitted that if he could change one vote he had cast during his Parliamentary career, he would change his negative vote on this issue of self-government to an affirmative vote. And Viscount Simon has written in his memoirs:

I was one of a small group of Liberal Ministers whom General Botha invited to a farewell lunch some years later on the day before he left our shores after the Imperial Conference of 1911. At the end of the meal he said there would be no speeches, but that he had two toasts to propose. The first was that of the King. Then he rose again and simply pronounced the words 'the memory of Campbell-Bannerman.'²²

Although the Prime Minister had been successful in obtaining responsible government for these areas, the problem of Chinese labor proved more difficult because of the contracts already in effect and the legal problems that surrounded any cancellation of these contracts. The problem was finally solved by allowing the newly created Transvaal Government freedom in dealing with the situation. Further importation of Chinese labor was prohibited by this new government in 1907.

The adoption of such a liberal settlement on the South African issue was a victory for the "Little Englanders." But two years later, upon the death of Sir Henry Campbell-Bannerman, the Liberal Imperialists were to secure the leadership of the party in the person of H. H. Asquith. Thus, when the battle over Home Rule for Ireland began in 1911, the "Little Englanders" found themselves being led by a man who could not whole-heartedly support a radical approach to the problem. His extreme caution and procrastination

²²Viscount Simon, Retrospect (London: Hutchinson & Co., Ltd., 1952), p.78.

contributed in no small way to the breakdown of constitutional processes during the Irish crisis, which in turn degraded the Liberal Party in the eyes of the nation for the Government's failure to act courageously and effectively in a grave crisis.

Had the Liberal Party not been divided on the question of Empire, then Liberals and Conservatives would have been able to act in unison on such issues. On the other hand, if the Liberal Party had been united in an anti-imperialist policy, swifter and decisive action, as demonstrated by Campbell-Bannerman in the settlement of the South African problem, would have been possible. But neither of the foregoing circumstances applied to the case of the Liberal Party in this pre-World War I era, and the Liberal leadership, as we shall see later, was to allow Ireland to drift to the brink of civil war and the Liberal Party to the brink of political bankruptcy.

The compromise which these two forces within the Liberal Party arrived at over Ireland will be discussed further in the next chapter, but it remains for us to examine the major labor legislation of this session.

Legislation Affecting Labor in 1906

Although the Liberal Government was unable to pass its Education and Plural Voting bills, it did redeem its electoral pledge to the trade unions by enacting a Trade Disputes Bill²³ which reversed the court decision in the Taff Vale case. Not only had the union involved in this case been forced to pay 32,000 pounds in damages, but it had been subjected to an injunction as well. Pre-

²³ 6 Edw. 7, Cap. 47: An Act to provide for the Regulation of Trade Unions and Trade Disputes.

vious to this case in 1901, the unions had been protected from such actions by the Trade Union Act of 1871. The trade unions wanted this protective legislation once more.

The bill which the Liberal Government introduced for its First Reading on March 28th, 1906, was a compromise measure that did not satisfy the supporters of the trade union movement. The Liberal Cabinet had been divided on the extent to which union funds should be protected against damage actions brought by employers. Ultimately, it was decided within the cabinet that the executive committees of the trade unions, and their legal agents, should be held responsible for any damages which might result from their activity. However, the committees were not to be held responsible for unauthorized acts of union members. This partial protection was not acceptable to the Labour Party, nor to the trade union leaders sitting as "Lib-Labs" in the Commons.

D. J. Shackleton, Labour M.P. for Clitheroe, in replying to the clause in the Government's bill concerning the liability of trade unions said:

So far as the third clause was concerned, it did not commend itself to him. . . . He thought it was only fair to ask whether the House would have the power of deciding this matter without reference to Party connections in any shape or form, so that the question might be dealt with on its merits.²⁴

It was plain to see that Mr. Shackleton felt that many Liberals would support a less restrictive bill if the party whips were not put on them when it came to a division. The Labour Party then proceeded to introduce a private-member's bill that included a clause which swept away any possibility of damage suits against the

²⁴H. of C., March 28, 1906 (Parliamentary Debates, 4th Series, Vol. cliv, p.1311-1316.

trade unions. For a number of the legalists in the Cabinet, as well as in the rank and file membership of the Liberals in the Commons, it was felt that such a clause would give too great a privilege to the trade unions.

At this point, Sir Henry Campbell-Bannerman demonstrated his friendly attitude towards the Labour Party and the trade unions by making it clear that he was willing to accept such an amending clause to the Government's bill.

. . . . the case in favour of the simpler method which I think is a forcible one, is that the method of restricting agency leaves pitfalls and loopholes from which there is a great danger of producing and multiplying litigation. I do not say that this argument is so conclusive, but so far as it goes it is in favour of that other method.²⁵

The Prime Minister went on to indicate that he would be quite willing to give consideration to the proposed alternative clause of the Labour Party when the bill reached the committee stage. This statement, from the floor of the Commons, came as a surprise to a number of the Cabinet members, and it was not warmly received in some quarters.

The lawyers, and among them Asquith, were not a little annoyed by what they considered to be a forcing of their hands, and for the next few weeks their agreement to the adjustment which the Prime Minister had promised seemed very much in doubt. To the end, Asquith maintained his objection to writing into a statute any words which gave workmen, as such, a privilege not enjoyed by other citizens. . . .²⁶

Despite the objections of the lawyers within the Cabinet, the bill rapidly passed through all of its stages in the Commons, and after the adjustments of the amendments proposed by the House of Lords, the Trade Disputes Act received the Royal Assent on December

²⁵H. of C., March 30, 1906 (Ibid., Vol. clv, p.54.)

²⁶J. A. Spender and Cyril Asquith, Life of H. H. Asquith, Lord Oxford and Asquith (London: Hutchinson & Co., Ltd., 1932), Vol. I, p.183.

21st. Surprisingly enough, the House of Lords accepted the Trade Disputes Act with very little opposition. It was ironic that just a few days before this same Chamber was to reject the Education and Plural Voting bills, Lord Lansdowne, the leader of the Conservative peers, should be heard saying:

We claim not for this House but for the constituencies the right of passing a final decision upon such questions. I venture to remind your Lordships of the words which fell from a great leader of this House, the late Lord Salisbury, who once described this House as an instrument for reserving on all great and vital questions a voice for the electors and the people of this country. I ask you to apply that canon to the case before the House. I cannot help thinking that whatever our opinion may be of this Bill, we have to admit that the voice of the electors has been heard with regard to it.²⁷

The voice of the electors apparently did not reach the ears of Lord Lansdowne when it came to the Education and Plural Voting Bills. Had not the electors spoken on these bills as well? Perhaps they had, but for the Conservative peers they represented a direct attack on the Established Church and a privilege of the propertied classes. This could not be tolerated, but the Trade Disputes Act merely restored the rights of the trade unions as originally granted by the Trade Union Act of 1871. This did not represent a radical change and therefore it could be supported by the House of Lords. Thus, the trade unions had their immunity from damage suits and injunctions restored, and the Liberal Party, although pressured by the Labourites, had fulfilled their electoral promise to the trade unions.

The other piece of major labor legislation in the Parliamentary session of 1906 was the Workmen's Compensation Act.²⁸ This

²⁷H. of L., December 4, 1906 (Parliamentary Debates, 4th Series, Vol. clxv, p.702.)

²⁸6 Edw. 7, Cap. 58: An Act to Consolidate and Amend the law with respect to Compensation to Workmen for Injuries suffered in the course of their Employment.

act, which was a consolidation and extension of the Compensation Acts of 1897 and 1900, nearly doubled the number of persons entitled to compensation for industrial accidents. New groups included in this extended coverage were: transport workers, building trades, seamen, clerks, shop assistants, postmen and domestic servants, provided their annual income from salary or wages did not exceed 250 pounds.

The act reduced the waiting period before which compensation could be paid from two weeks to one week, and it also included a number of industrial diseases for which workers were to receive compensation payments. However, the Labour Party failed to secure the inclusion of a clause in the act that would make it compulsory that all employers should insure themselves against employee accidents. Many small employers had failed to insure themselves under the older acts, and in many cases the workmen did not receive any compensation for injuries. The Liberal Cabinet would not concede this point, but despite this defect in the bill, coverage was extended to include some thirteen million workers by this legislation.

Two other acts are worth noting in this year, the Merchant Shipping Act and the Agricultural Holdings Act. Both of these acts, in varying degrees, improved the working conditions for merchant seamen and agricultural tenants. Under the terms of the Merchant Shipping Act²⁹, the owners of new vessels were required to provide increased cubic space for the crew's living quarters, and, for the first time, compulsory food scales and certified cooks were required on all merchant ships. Tenant farmers were given additional pro-

²⁹6 Edw. 7, Cap. 48: An Act to Amend the Merchant Shipping Acts 1894 to 1900.

tection from the injustices of the landlords by the Agricultural Holdings Act. The act provided that tenants who were "unreasonably disturbed" and removed from their holdings by landlords should receive compensation for losses suffered in selling or removing their stock, implements and household goods. It also gave the tenant the right to use arable crop land as he pleased, and to freely dispose of the proceeds from his crops without interference from the landlord.

As on previous occasions during this session, the House of Lords added numerous amendments to the bill, returning the bill to the Commons just one day before the end of the Parliamentary session. E. J. Soares, speaking for the Government, said on December 20th:

If all these Amendments were put into it the Bill would be absolutely worthless. There was no use sending bills of this kind to the House of Lords which consisted of nothing but large landlords. They might just as well ask a jury of hounds to try a case dealing with the rights of foxes as to ask the House of Lords to try cases dealing with the rights of tenants.³⁰

In order to save something in this bill, the Commons was forced to accept a number of the Lords' amendments, and on the following day the Upper Chamber approved the bill. Though the bill was emasculated to a large degree by the House of Lords, the bill did provide some additional protection for tenants. Basic land reforms were needed, but it was apparent that the Liberal Government would have great difficulty in enacting any substantial legislation in this field until the opposition of the House of Lords could be overcome.

³⁰H. of C., December 20, 1906 (Parliamentary Debates, 4th Series, Vol.clxvii, p.1770.)

Summary of the Legislative Session

When Parliament was prorogued on December 21st, 1906, there was little for Liberals to cheer about. When they looked back over their year of legislative labor in Parliament, the record was not very brilliant. The Education and Plural Voting bills had fallen by the wayside, and their single land measure had been seriously amended by the Lords. If anyone was victorious in this legislative session, it was the Labour and Conservative Parties. The Conservatives had successfully blocked the two most important measures introduced by the Government, while the Labour Party had succeeded in securing the passage of a non-restrictive Trade Disputes Act. The Prime Minister had capitulated to the Labourites on their demand for absolute guarantees for the security of the trade unions, and for the moment at least, the prestige of the Labour Party soared.

The attitude of the Labour Party members of Parliament toward the legislative program of this year was summed up by one of its members, G. D. Kelley, in the following fashion:

I will say this for the Government. We are there as a Labour Party to get as much as we possibly can from the Liberal Party, and we are getting it. . . . Since I have had any knowledge of politics, we have never had a Government who have attempted to do for the workers what the present Government has done. . . . we are getting from the Government what Labour has been clamoring for for years, and I want us to continue getting it.³¹

But how much could the Labour Party expect to get in the future, if the Conservative Party used the House of Lords as a vetoing chamber? It was clear by the end of this legislative session that the Liberals were in great danger of having their major reform bills wrecked by the Lords. Sir Henry Campbell-Bannerman had

³¹The Manchester Guardian, September 15, 1906.

made it quite clear in his speech to the Commons on December 20th, when he announced the withdrawal of the Education Bill, that the main issue to be resolved in the future was the problem of the Lords virtual veto power over legislation passed by the Commons.

How and when was the issue to be resolved? There were a few Liberals who felt that the party should take the issue to the country immediately by holding another General Election.

A few, a very few, voices were for dissolution. The great majority were of the opinion that the Education Bill was not big enough for the great issue which must be raised before the final battle was joined. . . . during the subsequent months he (Campbell-Bannerman) was heard to express a doubt whether he had been right in not taking up the challenge and going to the country again in December 1906.³²

Should the Liberals have gone to the country in December 1906? This would have been the ideal solution to the impasse threatened by the Lords, provided they were successful at the polls. Such a victory would have eliminated the veto power of the Lords and removed the greatest obstacle to a progressive legislative program. But were the Liberals in a position to win such a victory? Apparently they did not feel they were.

If the action of the Lords had been as flagrantly unpopular as, in Liberal circles, it was made out to be, the course would have been obvious, and a victory, more overwhelming and fruitful than the last, certain. But it was by no means certain that the fate of two notoriously partisan measures was calculated to arouse the requisite indignation among those voters of uncertain allegiance who determine the issue of elections.³³

The two partisan measures mentioned above, i.e., the Education and Plural Voting bills, though desirable reforms they might

³²J. A. Spender, The Life of the Right Hon. Sir Henry Campbell-Bannerman (London: Hodder & Stoughton Ltd., 1923), Vol. II, pp. 312-313.

³³Esme Wingfield-Stratford, The Victorian Aftermath 1901-1914 (London: George Routledge & Sons, Ltd., 1933), pp. 219-220.

be, were not of a character to stir wide public enthusiasm. The Education Bill, brought forward on the insistence of the Non-Conformist elements within the Liberal ranks, particularly from Wales, failed to stir any great demand for such a bill throughout the nation as a whole. Certainly it would not be wise to go to the country with these measures providing the case against the Lords.

The Liberals were trapped for the time being, and their political prestige was bound to suffer. Their major bills had been defeated, and the Labour Party had secured much of the credit for the Trade Disputes Act because of the Prime Minister's capitulation to their demands. No great new measure of social reform had been passed by the new Government. The Trade Disputes Act had given back to the trade unions a right which they had held for thirty years, and the rest of the legislation during the session, though providing desirable benefits, could not be considered as great social reforms. Nothing significant had been done for the aged, the sick, the unemployed, the poorly housed, the poorly fed or the underpaid workers of the nation.

There was no significant movement within the trade unions towards further affiliations with the Labour Party during 1906. But if the Liberal Party hoped to keep their existing ties with the working men, and win back the support of those who had already affiliated themselves with the new Labour Party, it would have to produce something more substantial in the way of reform in the not too distant future. Too many legislative sessions like that of 1906 might convince the electorate that the Liberals could only accomplish as much as the Conservative peers would permit them to accomplish. Such circumstances would place the party in a precarious position, and that is exactly what happened to the Liberals as we shall see shortly.

CHAPTER III

BLOCKAGE OF LIBERAL'S LEGISLATIVE PROGRAM

There was good reason to wonder as to what the Liberal legislative program for 1907 would include. The experience of the previous year made it clear that certain bills, such as those dealing with education and the plural vote, would not possibly be approved by the Lords and much time might be wasted again if the attempt was made.

The King's Speech on February 12, 1907, included the following measures that the Government intended to introduce; Army Reform, Licensing of the Liquor Trade, Scottish Land Tenure, Irish Government Bill, Small Holdings in England and Wales, Hours of Labour in the Mines and Housing. The King also made it clear in his Speech from the Throne, that although 1906 was gone, it was not forgotten. He preceded his remarks on specific legislation with the comment, "Serious questions affecting the working of our Parliamentary system have arisen from unfortunate differences between the two Houses. My Ministers have this important subject under consideration with a view to a solution of the difficulty."¹

Although this problem was to receive great consideration later in the session, it appeared as though the Government was going to give its attention primarily to a Licensing Bill and Land Reform. The reform of the liquor trade through changes in licensing regulations had long been an object of the vigorous Temperance Reformers within the Liberal ranks. The issue over such reform of the trade had always provoked great controversies in Parliament and it was

¹H. of L., February 12, 1906 (Parliamentary Debates, 4th Series, Vol. clxix, p.3.)

surprising that it should have been given such a prominent place in the Government's program after their experiences of the previous year. However, shortly after the session opened on February 12th, it became apparent that the Liberal Cabinet did not intend to press for a new licensing law in 1907.

Those who favored such reform were disappointed with this action, but hoped for at least an increase in the liquor tax when the Budget was submitted in April. But the reformers were to be disappointed once again. As one Temperance Reformer, Charles Roberts, pointed out in the Commons in reply to Asquith's Budget Message:

If nothing could be done in the Budget there was increased urgency for dealing with the question by other means, and he hoped that the Government would, in framing their plans for the coming session, bear in mind that so far nothing had been done to redeem the strong assurance given by the Prime Minister last year that he would grapple with the problem of licensing reform.²

The Prime Minister did not choose to grapple with this reform because of its anticipated fate in the hands of the Lords. This anticipation was to become a reality the following year when a licensing reform bill was sent to the Upper Chamber.

With the Licensing Bill out of the legislative program, and with no hope of introducing a new Education or Plural Voting Bill, there did not appear to be much left in the way of a great reform bill to capture the imagination of the electors or create enthusiasm within the Liberal Party. Thus it was that Land Reform became the center of the Government's program, with army reform and some form of self-government for Ireland receiving Parliamentary consideration.

²H. of C., April 18, 1907 (Ibid., 4th Series, Vol. clxxii, p.1233.)

Land Reform

Land reform had become an increasingly important problem in Great Britain during the latter part of the 19th Century, primarily because of the agricultural crisis which developed in the 1870's and 1880's. The influx of cheap agricultural products from North America and the British Empire had created serious economic problems, particularly for small landowners and tenant farmers.³

Joseph Chamberlain, a Liberal Minister in the Gladstone Cabinet from 1880-1885, in 1884 made the strongest statement concerning land reform that any British Cabinet officer had made to that date.

'the present system,' said Mr. Chamberlain, 'has broken down. Farmers have no capital; landlords declare they are penniless. Then the land must pass into other hands. . . . The present system was devised with the object of creating and increasing large estates. Silently and for generations the process of absorption of small properties has gone on, and all the time there has been nothing working in the opposite direction. There has been no force tending to dispersion and subdivision. I say that these forces we are bound to supply. . . .'⁴

From 1885 to 1906 the Liberals had very little opportunity to attempt any serious land reform because of their weak political position. In 1906, as we have already seen, the Liberal Government did succeed in passing an Agricultural Holdings Act, but this was far from the sweeping reforms desired by the Radicals. It was therefore decided by the Cabinet to introduce four bills in the 1907 session that would further the cause of land reform. These bills were the Small Holdings Bill (Scotland); Land Valuation (Scotland);

³English agricultural problems of this period are discussed in: Rowland E. Prothero, English Farming Past and Present (London: Longmans Ltd., 1912).

⁴S. MacCoby, English Radicalism, 1853-1886 (London: George Allen & Unwin Ltd., 1938), p.301.

Small Holdings (England and Wales); and an Evicted Tenants Bill for Ireland.

Neither of the acts dealing with Scotland could be passed because of the opposition to them in the House of Lords. The Government was forced to withdraw the Small Holdings Bill for Scotland on August 21st because of the Lords' threat to amend the bill in such a fashion as to make it unacceptable to the Liberals. And the Land Valuation Bill was defeated on its Second Reading in the Upper Chamber on August 26th.

The Small Holdings Act was an attempt to extend to the Lowlands of Scotland a land policy that already existed in the Highlands.⁵ Under the provisions of this act, tenant farmers would be protected against unjustifiable eviction by the landlord and land rentals were to be controlled so that exorbitant rents were not charged. A Land Commission and a Land Court were to be created to carry out these functions. But the Lords were having none of this. Lord Lansdowne expressed the feelings of the majority of large land owners when he said:

What gives reality to ownership and makes it a valuable and precious thing to many people was, above all, the right to select the persons to be associated with the proprietor in the cultivation of the soil. . . . I desire to express my entire agreement with the noble Viscount behind me in what he has said as to the great difficulty, I may say the impossibility, of creating wholesale and all over this country a great system of small owners of land. . . .⁶

His Lordship believed in the collectivization of the soil, but on an aristocratic basis. This attitude towards the bill in

⁵The problems of small agricultural holdings is discussed in: L. Jebb, Small Holdings; A Survey of Various Existing Systems (London: John Murray, 1907).

⁶H. of L., August 14, 1907 (Parliamentary Debates, 4th Series, Vol. clxxx, pp.1241 ff.)

the House of Lords forced its withdrawal, and the Prime Minister in explaining its withdrawal in the Commons on the following day, drove another nail into what was to become the Lords' coffin.

Who is to control the legislation with regard to the vital interests of the people of Scotland? Is it those who are authorized by the people of Scotland to speak for them, or is it noble Lords in another place and a small section of this House who sympathise with the noble Lords?⁷

The Prime Minister promised a similar measure for the future, but his remarks did not deter the Lords from rejecting the Land Valuation Bill for Scotland a few days later. This bill proposed the re-evaluation of all land in Scotland, beginning in 1909, on a basis of the capital value of the land minus any improvements. No mention was made in the act of using this new scheme of valuation as a basis for future taxation, but that was what the Lords feared it eventually meant.

During the debate on the bill's Second Reading, Lord Robertson expressed these fears when he remarked:

There are certain Radical patent remedies for which it is wanted to get a semblance of authority, and it is to be done in this way--that you are to put in the eighth column the nostrums of the Radical Party and accustom the people of this country to deal with them as if they were realities. I object to that. I have a long acquaintance with the Valuation Roll. . . . and I should be sorry to see it, in its old age, turned into a sandwich-man for Mr. Henry George and sent out, while it is still able to work, to do the dirty work of Scotch Radicalism.⁸

The Lords rejected the bill, and this, coupled with the rejection of the Small Holdings Bill, incurred for them the wrath of Scotsmen both inside and outside Parliament. Such action was not likely to win Scottish votes for the Conservatives. In both the

⁷H. of C., August 22, 1907 (Ibid., Vol. clxxxI, p.1164.)

⁸H. of L., August 26, 1907 (Ibid., Vol. clxxxII, p.34.)

January and December General Elections of 1910, the Conservatives could only secure 11 seats in Scotland while the Liberals and Labour parties returned 61 candidates in each of these elections. Austen Chamberlain wrote to A. J. Balfour after the January 1910 election:

In Scotland the class hatred was very bitter and the animosity against landlords extreme. . . . Our only chance of winning Scotland is to change the issue on which Scotsmen vote. As long as it is the land, the landlords, and the rest of the Radical programme we shall be beaten. We must try to make them think of something else. . . .⁹

Not only were Scotsmen thinking of the land, but the evicted tenants in Ireland were acting on their thoughts concerning land reform. The Land Act of 1903, which had provided funds for the purchase of land in order to resettle evicted tenants, began to break down in 1906-1907. Under the Act of 1903, sale of land had been on a voluntary basis and the large landowners could not be forced to sell. The Liberal Cabinet decided that it was necessary to institute compulsory sale of land if the evicted tenants were going to be effectively re-settled. Thus, the Government introduced an Evicted Tenants Bill for Ireland on June 27th, 1907. The act gave the Estates Commissioners in Ireland the power to force the sale of land to evicted tenants, but numerous amendments by the Lords did a great deal to block the effectiveness of the program. Amongst other amendments, they insisted that no more than two thousand evicted tenants should be re-settled under the bill.

The only land reform bill that became law in 1907 without serious amendment by the Lords was the Small Holdings and Allotments

⁹Austen Chamberlain, Politics From Inside (London: Cassell & Co., Ltd., 1936), pp.197-198.

Bill for England and Wales.¹⁰ As Earl Carrington pointed out when the bill was read for a second time in the House of Lords:

In this bill there is nothing new, there is nothing radical, there is nothing revolutionary. What we are trying to do by the Bill is merely to restore to the agricultural labourer some of the conditions under which he lived in the earlier part of the last century.¹¹

This objective was to be accomplished by forcing county councils, borough councils and parish councils to buy or lease land which was then to be leased to agricultural labourers at a reasonable rent. Under a somewhat similar act passed in 1892, but which was not compulsory in any respect, county councils had purchased or leased only 600 acres throughout England and Wales. Under the new act some 202,000 acres were to be purchased between 1908 and 1914.

Even though the Small Holdings Act for England and Wales was to have a fair degree of success in its future operations, the Land Reform legislation as a whole, for 1907 was a dismal failure, and there was little in the way of other legislation to redeem this setback to the Liberal program. One exception to this succession of failures was the army reorganization scheme that culminated in the passage of the Territorial and Reserve Forces Bill.

Army Reorganization

The man primarily responsible for the reorganization of the army in 1907 was the Liberal Secretary of State for War, R. B. Haldane.¹² Haldane was faced with the difficult task of making the

¹⁰ 7 Edw. 7, Cap. 54: An Act to amend the Law with respect to Small Holdings and Allotments.

¹¹ H. of L., August 19, 1907 (Parliamentary Debates, 4th Series, Vol. clxxxi, p.22.)

¹² For Haldane's defense of the army reorganization see: Richard B. Haldane, Army Reform and other Addresses (London: 1907.)

army stronger and more efficient, but at the same time he was to accomplish this for less money. In line with the old Liberal policy of "retrenchment," the Government desired further cuts in the Army appropriations. In retrospect, Haldane's success in this reorganization seems even greater when this pressure for economy is considered. Haldane, anticipating the future demand for the rapid expansion of the army in a national emergency, based the reorganization upon a small, compact professional army with a newly created Territorial Army.¹³ This latter force, somewhat similar in character to the National Guard in the United States, replaced the old militia and volunteers which had been highly disorganized. The Regular Army was organized into an Expeditionary Force of linked battalions (a system inaugurated by Cardwell in 1871), and it was this force that justified Haldane's reorganization by its readiness and performance in the early days of the First World War.

The Secretary of State for War had the support of the generals in the War Office for his scheme, but the Opposition tore into the proposed reorganization and Haldane, although not opposed by his fellow Liberals in the Commons, received very little active support from them in his Parliamentary defense of the bill. Sir Henry Campbell-Bannerman, whose nickname for Haldane was "Schopenhauer," was not particularly fond of his Secretary in the War Office. Haldane, a Liberal Imperialist, had been a holdout along with Sir Edward Grey when the new Liberal Cabinet had been formed in December 1905. J. A. Spender writes of this relationship between the Prime

¹³Excellent coverage of this aspect of the army reorganization in: Harold T. Baker, The Territorial Force (London: John Murray, 1909.)

Minister and Haldane:

To Mr. Haldane his feelings were perhaps a little different in these days. He had come to think of him as at the bottom of most of the agitation which had troubled his peace and that of the party in recent years. 'Serve him right,' wrote an old friend on hearing that the brilliant lawyer was destined to the office which of all others had been the grave of reputations in recent years, and Campbell-Bannerman was certainly not unaware of the element of penance in this appointment.¹⁴

Despite the lukewarm support he got from his colleagues, Haldane was successful in getting the Territorial and Reserve Forces Bill through both Houses of Parliament without any radical amendments being attached to the act. Typical of the Opposition's attitude toward the bill was that of Austen Chamberlain. He wrote:

I have been reading Haldane's great Army speech. It seems to me a bad exposition of his intentions, very difficult to follow. If I understand it, I dislike many features of it. It seems to me that he will never get his new voluntary force and, meanwhile, he begins by destroying what exists, instead of by building up the new. And even if he gets this new 'Territorial Army', he relies for a successful campaign on its volunteering for service abroad by battalions and even brigades. That seems to me a risky speculation. (Note- I never understood till the Great War came what a magnificent achievement Haldane's army reorganization was. Confession of my error is the only amends I can offer to his memory.)¹⁵

Despite the heavy Conservative attack upon the bill, it passed through all its stages in the Commons by June 23rd, and with slight amendments, the Lords approved the bill in late July without a division of the House. On August 2nd the Territorial and Reserve Forces Bill received the Royal Assent, and one of the greatest reorganizations of the British Army began.¹⁶ This bill not only repre-

¹⁴Spender, op. cit., Vol. II, p.198.

¹⁵Chamberlain, op. cit., pp.54-55.

¹⁶7 Edw. 7, Cap. 9: An act to provide for the reorganization of His Majesty's military forces and for that purpose to authorize the establishment of County Associations and the raising and maintaining of a Territorial Force and amending the Acts relating to the Reserve Force.

sents the crowning achievement of this legislative session for the Liberal Party, but it also stands out as one of the few great reforms enacted into law by this last Liberal Government.¹⁷

Besides the Army Reorganization and the Land Reform measures, two other subjects were prominent in the Parliamentary debates and legislation of 1907. One of these issues involved Ireland, and the other concerned the position of the House of Lords in the English constitutional system. In the case of the former issue, a detailed analysis of the problem would be too lengthy and involved for our purpose, so the consideration of the Irish Question will be limited to those events which immediately affected the policy followed by the Liberal Government after 1906.

Home Rule for Ireland

The problem of Home Rule for Ireland, which had split the Liberal Party in 1886, continued to plague Liberals and Campbell-Bannerman's administration was no exception. Those members of the party who had not bolted and joined the Liberal Unionists, headed by Joseph Chamberlain in 1886, continued to disagree as to the solution of this issue.

Lord Rosebery, who had assumed the leadership of the Liberal Party after Gladstone's retirement in 1894, was one of those members who remained in the Liberal fold and assumed the leadership of the Liberal Imperialists. He was unalterably opposed to Home Rule for Ireland, and in speeches which he made at Chesterfield and Liverpool during the winter of 1901-1902, he maintained that Liberals should

¹⁷Sir Ian Hamilton, Compulsory Service; a Study of the Question in the Light of Experience (London: John Murray, 1910), This work clearly sets forth the reasons for urgent army reorganization at this time.

drop entirely the idea of Home Rule from the Liberal program. This continued split within the party over Ireland could not be hidden, but Campbell-Bannerman attempted in December 1901 to find some common grounds upon which the "Little Englanders" and Liberal Imperialists could be brought together. However, Lord Rosebery made it quite clear that he could never accept Home Rule, and Campbell-Bannerman, in a speech at Leicester on February 19th, 1902, made it just as clear that so far as he was concerned, Home Rule for Ireland was still part of the Liberal faith.

Three days after Campbell-Bannerman's speech at Leicester, the Liberal League was founded with Lord Rosebery as its President and with H. H. Asquith, Sir Edward Grey and Sir Henry Fowler serving as Vice-Presidents. The formation of the League placed Sir Henry Campbell-Bannerman's most important colleagues in the Opposition's camp as far as Imperial matters were involved, and on March 1st, 1902, Asquith made the group's position on Ireland clear when he wrote:

Is it to be part of the policy and programme of our party that, if returned to power, it will introduce into the House of Commons a Bill for Irish Home Rule? The answer in my judgement, is No. And why? . . . because the history of these years . . . has made it plain that the ends which we have always had, and still have, in view, . . . can only be attained by methods which will carry with them, step by step, the sanction and sympathy of British opinion. To recognise facts like these is not apostasy; it is common sense.¹⁸

Although this policy toward Ireland was not acceptable to Campbell-Bannerman and his Radical supporters at this time, the words "step by step" later proved to be a basis for compromise between these two factions in the Liberal Party. As noted earlier in Chapter I, all Liberals were drawn together by the attack upon the

¹⁸Spender and Asquith, op. cit., Vol.I, p.144.

principle of Free Trade inaugurated by Joseph Chamberlain in 1903.

Although the issue over Home Rule was replaced by that of Free Trade for the moment, Ireland, as previously mentioned,¹⁹ became a controversial point on the eve of the General Election of 1906. Fearing the possibility of having to rely on the support of Irish Nationalists for the formation of a new Liberal Government, the Liberal Imperialists were willing to compromise on Home Rule so long as it was something less than immediate self-government for Ireland. The Radicals, fearing the same thing and desiring a united party, were willing at this juncture to settle for something less than all-out Home Rule.

Thus it was that on November 23rd, 1905, Campbell-Bannerman expounded the new policy of the Liberal Party toward Home Rule. There was to be a "step by step" approach to the solution of this problem, which meant that Ireland would gradually secure a greater degree of self-government. Lord Rosebery took immediate exception to this new policy and this action marked his final parting with the Liberal Party. Those Liberal imperialists who had formerly supported him, chose to stand behind Campbell-Bannerman on the new Home Rule program, and Lord Rosebery was left isolated.

With the majority of the party backing this new approach to Ireland, Campbell-Bannerman took office in 1905, but even with the tremendous victory of the Liberal Party in the General Election, he still chose to take the moderate and cautious approach to Home Rule. This was perhaps primarily due to the fact that the new Prime Minister wished to avoid a bitter clash with the House of Lords in the

¹⁹Supra., pp.6-7.

first year of the new Parliament. The King's Speech in 1906, therefore, included only a very vague reference to the problem of self-government in Ireland, and only one specific bill, the Irish Labourers Bill, was mentioned and ultimately passed in the legislative session that followed.²⁰

Once again in 1907, the King's Speech referred to the problem of Home Rule, but there was no indication as to how or when the Government proposed to fulfill its pledge of establishing self-government for the Irish. There was, however, almost continuous negotiations being carried on between the Irish leaders, primarily Redmond and Dillon, the Government ministers. James Bryce, original Chief Secretary for Ireland in the new Liberal Government, carried on the negotiations during most of 1906 until he resigned that post in December to become Ambassador to the United States. He was succeeded by Augustine Birrell who continued to confer with Redmond and Dillon. Their meetings culminated with the introduction of the Irish Council Bill on May 7th, 1907, in the House of Commons.

The bill proposed to establish an Irish Representative Council that would consist of 24 members nominated by the Lord-Lieutenant and 82 members elected on a basis of manhood suffrage. This Council was to control eight administrative departments including: the Local Government Board, Agriculture and Technical Instruction, Congested Districts Board, National Education, Intermediate Education, Reformatory and Industrial Schools and the

²⁰Works of particular interest dealing with the problems of Ireland in this period include: E. Barker, Ireland in the Last Fifty Years (Oxford: The Clarendon Press, 1917); Ian Colvin, The Life of Lord Carson (3 vols.; London: Gollancz, 1934, 1936); Dennis Gwynn, The Life of John Redmond (London: Harrap, 1932) T. M. Healy, Letters and Leaders of My Day (2 vols.; London: Thornton Butterworth, Ltd., 1928).

Registrar-General's Office. The Parliament at Westminster was to provide the Council with 2,650,000 pounds so that these administrative departments under its control would have adequate funds. However, the Lord-Lieutenant was to have a veto power over any measure which came before the Council.

The attitude of Unionists in general, and the Lords in particular, towards the Home Rule issue had been stated even before the introduction of this bill. Once again, Lord Lansdowne was in the forefront. He said:

Our suspicions are deep-seated, and that is due to the fact that the men who at this moment have the control of the affairs of the Empire, who obtained that control upon a deliberate undertaking that the question of Home Rule did not come within the purview of their intentions, now tell us not only that Home Rule is the goal towards which they are working, but that we are actually to look to a condition of things when Ireland will be given self-government. . . .²¹

There was no question in the minds of Liberals as to where the Opposition stood on this question, but it was hoped that the Irish Nationalists would support the bill. Although John Redmond was extremely careful in considering the measure, he did indicate some degree of support for the bill when it was introduced on May 7th.

. . . . I am inclined to think the successful working of this Bill would be an aid to Home Rule, and I can say for myself to-night I am anxious to find in this scheme, if I can, an instrument which, while it will admittedly not solve the Irish problem, will, at any rate, remove some of those most glaring and palpable causes which keep Ireland to-day poverty-stricken and Irishmen hopeless and discontented.²²

Two weeks after this statement was made in the Commons, Redmond, and an Irish Nationalist Convention held in Dublin, unanimously rejected the Irish Council Bill. In the face of this action,

²¹The Times (London). March 20, 1907.

²²H. of C., May 7, 1907 (Parliamentary Debates, 4th Series, Vol. clxxiv, p.127.)

Sir Henry Campbell-Bannerman was forced to withdraw the bill on June 3rd, and in reply to the Prime Minister on this occasion, Redmond remarked:

I regret extremely that we had not had a more satisfactory attitude from the right hon. Gentleman (Campbell-Bannerman) in regard to Irish affairs. But at the same time I recognise that in these matters, friendly as this Parliament and this Government are to Ireland, we shall have to rely in the long run, as we have done for the last twenty years, on ourselves alone.²³

Such was the attitude of Redmond and his Irish supporters, and with the withdrawal of the Irish Council Bill, there was little that could be done in this legislative session for Irish Home Rule. Under the Land Reform legislation of this session, the Liberals managed to pass the highly inadequate Evicted Tenants Bill for Ireland, but this was a far cry from the objective of Home Rule. The first two years of the Liberal Government elected in 1906 had failed to produce any substantial reforms for Ireland.

If the Government's policy towards Ireland was still up in the air at the end of this session, the same could not be said for the policy concerning the House of Lords. A definite step forward in the final settlement of this problem came with the passing of a resolution in the Commons during the month of June which outlined a possible solution. The passage of this resolution was to mark the end of Campbell-Bannerman's role in this historic struggle.

Resolution on Powers of the House of Lords

Mention has already been made of that section of the King's Speech, in February 1907, which indicated that the Government had under consideration possible solutions to the obstructive tactics

²³H. of C., June 3, 1907 (Ibid., Vol.clxxv, p.341.)

of the House of Lords.²⁴ The Prime Minister, in several public speeches between January and June of this year, continued the attack upon what he and the Liberal Party considered to be an abusive use of power by the House of Lords. James Bryce put it this way:

Britain is now the only free country in whose Legislature a purely hereditary and wholly irresponsible House was allowed to overrule the declared will of the people. Our present House of Lords is a superannuated relic from the feudal constitution of the Middle Ages. One might call it a grotesque anomaly in an otherwise popular Government. It does not perform its supposed function of a revising Chamber raised above Party, and it has in fact, become a mere submissive instrument in the hands of one party. . . .²⁵

This statement expressed the general feelings of the members of the Liberal Party in the Commons, and on June 24th, 1907, the Prime Minister gave a more formal expression to this view by introducing the following resolution:

That, in order to give effect to the will of the people as expressed by their elected representatives, it is necessary that the power of the other House to alter or reject Bills passed by this House should be so restricted by law as to secure that within the limits of a single Parliament the final decision of the Commons shall prevail.²⁶

Campbell-Bannerman then went on to outline his scheme for curtailing the powers of the Lords, and the proposal was fundamentally the same as the Parliament Act that was passed four years later. The plan as outlined by the Prime Minister called for conferences to be held between small groups representing both Houses if the Lords disapproved a bill sent up from the Commons. If the conference failed to reach an agreement, the bill might be passed a

²⁴Supra., p.51.

²⁵James Bryce, "The Reform of the House of Lords," The Liberal Magazine, XV (February, 1907), p.2.

²⁶H. of C., June 24, 1907 (Parliamentary Debates, 4th Series, Vol. clxxvi, p.926.)

second and then a third time by the Commons, and if the Lords failed to agree after the third passage by the lower House, the bill would become law over their heads. A minimum of six months was to elapse between each conference, and there was no distinction to be made between Money Bills and ordinary legislation. The proposal also recommended the shortening of a Parliament's life from seven to five years.

The proposal was not novel, for a similar idea for reforming the House of Lords had been put forward as early as 1884 by John Bright. This lack of novelty, however, did not detract from the intensity or interest of the debate that followed the introduction of the resolution. For three full days this debate occupied the time of the Commons until the Government carried its resolution with a majority of 285 votes on June 26th. The Opposition used lengthy and varied arguments against the scheme including a defense of the House of Lords based upon a comparison of that House with the American Senate. Arthur Lee, Unionist M.P. from Hampshire, cited the writings of Alexander Hamilton in defense of a Second Chamber, and he described the benefits of a system of checks and balances as obtained in the American constitutional system. He said in part:

But is this democratic people's House in America entrusted with unrestrained power? No; its every action is subjected to the revision and approval of the Senate. . . . I do not advocate the copying of the American Constitution in this country. I believe it is much too rigid. I believe it gives insufficient power to the people's House, but if it represents the extreme of caution on the one hand, I am justified in saying that the Prime Minister's proposals represent the extreme of recklessness on the other.²⁷

Despite the vigorous opposition of the Unionists, the reso-

²⁷H. of C., June 25, 1907 (Ibid., p.1163 & p.1166.)

lution was successful in settling the question as to "How" the House of Lords was to be reformed. Now the only remaining question was "When?"²⁸

Minor Legislation

The only legislation remaining, that is worth noting in this session, was of a minor character. Although this legislation brought about desirable reforms in various fields, it was certainly not legislation that involved controversial party issues. Included in this group were the Patents and Designs Bill,²⁹ The Factory and Workshop Act,³⁰ the Qualification of Women Act³¹ and the Employment of Women Act.³²

The most significant measure amongst these bills was the Patents and Designs Act. Introduced and guided through the Commons by the President of the Board of Trade, David Lloyd George, this measure rectified clauses of earlier patent acts that had been

²⁸ An excellent analysis of the problems surrounding the reform of the House of Lords can be found in: William S. McKechnie, The Reform of the House of Lords (Glasgow: J. Maclehose & Sons, Ltd., 1909).

²⁹ 7 Edw. 7, Cap. 29: An Act to consolidate the enactments relating to Patents for Inventions and the Registration of Designs and certain enactments relating to Trade Marks.

³⁰ 7 Edw. 7, Cap. 39: An Act to Amend the Factory and Workshop Act, 1901, with respect to Laundries and to extend that Act to certain Institutions and to provide for the Inspection of certain premises.

³¹ 7 Edw. 7, Cap. 33: An Act to amend the Law relating to the capacity of Women to be elected and act as Members of County and Borough Councils.

³² 7 Edw. 7, Cap. 10: An Act to repeal Section 57 of the Factory and Workshop Act, 1901, and part of Section 7 of the Coal Mines Regulation Act 1887, relating to the Employment of Women and Children.

extremely disadvantageous to British manufacturers. Prior to the passage of this new legislation, it had become the common practice of a number of foreign firms to patent manufacturing processes in Great Britain, but not for use in England itself. Thus, British industry was denied the use of these processes, or forced to pay extremely high royalties to the foreign concerns to gain access to the patents.

To remedy this situation, Lloyd George introduced this revisionary act which made patents revokable within three years of their granting if the processes were not used in Great Britain during that time. The passage of this bill, coupled with the Merchant Shipping Act in 1906, added a great deal to the prestige of Lloyd George. However, the passage of the Patents Act also kindled a spark of suspicion within the Liberal ranks which one day was destined to split the party in two. Malcolm Thompson in his biography of Lloyd George points out:

This patriotic bias in commercial legislation was regarded by free-trade fundamentalists as black heresy--the sin of Achan. Thus early the whisper began to spread among a certain section of costive Liberals that L. G., though an almost indecently clever little fellow, was not altogether sound. It was a whisper which pursued him underground for the rest of his career. There are those to whom witch-smelling and heresy-hunting are the most thrilling of sports.³³

The doubts, which arose amongst Liberals as to the political integrity of Lloyd George, grew steadily through the years, but in 1907, Lloyd George was paving his way to greater positions in the Liberal Government. Not only did he steer the Patents Act through the Commons, but he was successful in preventing a general strike on the railroads in December of this year.

³³Thompson, op. cit., p.166.

The Factory and Workshops Act of 1907 was an extension (of a similar act of 1901) to include laundries in the governmental inspection system. Inspection of industrial plants was also extended to charitable institutions that maintained businesses for profit. The Employment of Women Act abolished from previous Factory Acts the last remaining provisions that had permitted the employment of women in industry on an all-night shift. These two acts added another step forward in the long series of legislative measures aimed at destroying the evils of the "factory system."

And lastly, the growing strength of the Suffragette Movement was indicated by the passage of the Qualification of Women Act of this session. This act removed the barrier that had prohibited women from voting in local elections and enabled them to become Councilors and Aldermen on county and borough councils. However, it was to be another eleven years before women would receive the right to vote in Parliamentary elections.

The type of legislation enacted during the early years of this last Liberal administration was well characterized by Herbert Samuel who was Under-Secretary at the Home Office at this time,

When the sessional programme is crowded, as it was in those years, and there is much competition between Ministers for the time available, a bill should either be so small and uncontroversial that it is likely to slip through quickly, or else be so striking and important that it would attract a wide public interest and a cordial parliamentary support.³⁴

In 1907, it was only the "small and uncontroversial" bills that were successfully passed through both Houses of Parliament, with the outstanding exception of Haldane's army reorganization measure. The Government had lost three of its four land bills in

³⁴Viscount Samuel, Memoirs (London: The Cresset Press, 1945), p.55.

the House of Lords, and had been forced to withdraw its Irish Councils bill because of Irish opposition. There was little for Liberals to cheer about at the end of 1907, and even less for the members of the Labour Party.

The Labour Party Falters

The victories of the Labour Party in 1906 were not to be repeated in 1907. There was to be no forcing of legislative proposals upon the Liberal Government in the legislative session of 1907, and there was a decided absence of social legislation to benefit the working class. "The slackening of the Government's legislative activity coincided with the appearance of a marked coolness between Liberal and Labour politicians."³⁵ This coolness could be attributed to the action of the Liberals in refusing to support two bills brought forward by the Labour Party in this session. The bills brought forward by the Labour Party dealt with unemployment and hours of labor in the coal fields, and in the latter case, the Government announced it would introduce its own bill in the following session.

These rebuffs greatly diminished the prestige of the Labourites, both inside and outside of the Commons, but events much more dangerous to both the Labour and Liberal parties were occurring outside the halls of Westminster in 1907. With unemployment on the rise, and a growing disparity between wages and prices, the working classes were beginning to show signs of restiveness.³⁶

³⁵Halevy, op. cit., p.104.

³⁶The economic circumstances of the working classes will be discussed at greater length in Chapter VI, but for unemployment problems at this time see W. H. Beveridge, Unemployment; A Problem of Industry (London: Longmans, 1909).

A strong indication of the dissatisfaction came with the by-election at Colne Valley in July. Victor Grayson, a young Socialist, entered the by-election without the support of the Labour Party, and was successful in beating both the Liberal and Conservative candidates. Grayson belonged to the left-wing of the working class movement that was dissatisfied with the policies of the official leadership of the Labour Party. Again in 1907, at its annual meeting, the Party had overwhelmingly defeated a motion which called for the overthrow of the capitalistic system as the Party's objective.³⁷ This conservatism irked Grayson to such an extent, that he was suspended from the House of Commons in 1908 for his attacks upon the Labour members.

But Grayson was not alone in his dissatisfied state.

. . . , the parliamentary session of 1907 proved barren of social legislation, and gave rise to much dissatisfaction among the working classes. Disillusionment was gradually setting in, and it was intensified by the defeat of the Society of Railway Servants. . . the railwaymen regarded the result as a defeat, and many of them even thought it to have been the result of a betrayal of the men by their leaders.³⁸

The members of the Society of Railway Servants had spent most of 1907 in an attempt to get the large railroad companies to listen to, and settle, their grievances. These included hours and wages, conditions of work and recognition of their union as a bargaining agent. When their demands fell on deaf ears, a strike was threatened in October. Lloyd George, at this time President of the Board of Trade, intervened, and the union was forced to settle for the establishment of Conciliation Boards on which they were to have representation. As indicated above, the men felt "betrayed," for

³⁷ See 1907 Labour Annual Conference Report.

³⁸ Beer, op. cit., pp.325-326.

none of their major demands had been met.

Sir George Askwith, who acted as chief arbitrator for the Board of Trade in nearly all of the major labor disputes of this period, writes of the railway settlement in 1907:

The broad result, the general effect, of the railway dispute was, I think, that it strengthened the belief of Labour in its power; that it showed the value of organisation; that it intensified bitterness against capitalistic bodies and the alleged pride of Capital, and conveyed the impression that many of them were harshly and callously governed, and ought to be reformed; and that it turned claims, primarily economic, into a militant channel.³⁹

The Liberal Cabinet was not unaware of the growing dissatisfaction, for Lloyd George had been seated in the middle of this dispute. Though the Liberals might welcome the dissension within the ranks of the Labour Party, as demonstrated by the growing tension between that party's official leaders and their left-wing critics, the Liberals could not afford to ignore the economic plight of the workers. Perhaps the Labour Party would destroy itself through internal factional struggles, but this would not enhance the position of the Liberal Party with an electorate that expected that party to raise the standard of living.

The first two years of the new Liberal Government had been relatively barren of social legislation. Would 1908 prove to be more fruitful?

³⁹Lord Askwith, Industrial Problems and Disputes (London: John Murray, 1920), p.125.

CHAPTER IV

THE FIRST YEAR OF ASQUITH'S LEADERSHIP

The London Daily News of March 12th, 1908, reported that Ramsay MacDonald "viewed with great terror the return of the present Opposition to power, and that was all the more a reason why the Government should convince the working classes that it was not moving with heavily laden feet."¹ MacDonald, whose political fortunes were rising rapidly in the Labour Party, expressed the general sentiment of the rank and file Government supporters in the House of Commons.

If the King's Speech at the opening of Parliament on January 29th was a true indication of what the Government intended to enact into law during this session, then the Liberal leadership could not be accused of "moving with heavily laden feet." Included in the proposed program were the following measures:

1. Old Age Pensions
2. Licensing in the Liquor Trade
3. Elementary Education
4. Hours of Labour in the Coal Mines
5. Housing and Town Planning
6. Land Valuation for England and Wales
7. Irish University Bill
8. Irish Land Bill
9. Port of London
10. Protection of Children
11. Scottish Land Reform
12. Scottish Land Valuation

Even with the new committee system in operation, (which had been adopted in 1907 and provided for an increase in the number of Standing Committees with greater scope and powers), this was indeed a lengthy and controversial legislative program. The Licensing,

¹Daily News (London). March 12, 1908.

Education, Scottish Land and Old Age Pension Bills were highly explosive in character, and one might well wonder how the Cabinet hoped to get them through the House of Lords.

The one big issue that was conspicuously absent in the King's Speech was, in fact, the House of Lords. Lord Lansdowne was quick in noticing this, and he taunted the Liberal peers in his reply to the King's Speech, saying:

I find no reference to any proposal for dealing with the relations of the two Houses of Parliament. I would ask noble Lords opposite whether they are treating the country quite fairly when, in the frequent speeches which they have delivered during the recess, . . . one and all of them hold up the House of Lords to ridicule and odium. . . . I ask the noble Marquess (of Ripon) what he and his colleagues are waiting for. They are not waiting for the report of Lord Rosebery's committee; . . . Nor are they, it appears, waiting until the House of Lords' cup is full, for the Prime Minister has announced that the cup was full many years ago.²

It was true that practically every Liberal, Labour and Irish Nationalist speaker took the opportunity in public appearances to attack the Lords, but the Liberal Cabinet, as yet, did not have an issue which they felt was big enough to rally an overwhelming public opinion behind them in this controversy. Even with the absence of this issue from the legislative agenda of 1908, Lord Lansdowne, as leader of the Opposition in the Lords, and A. J. Balfour in the Commons, could find plenty of bills which were distasteful to them in this session.

However, before considering the legislation of this year, attention must be given to the important change in the leadership of the Liberal Government that occurred early in April. This change had an important influence on the future destiny of the Liberal Party.

²H. of L., January 29, 1908 (Parliamentary Debates, 4th Series, Vol. clxxxiii, pp.28-29.)

Asquith Replaces Campbell-Bannerman as Prime Minister

On February 12th, 1908, Sir Henry Campbell-Bannerman suffered a heart attack, and during the next two months his health gradually deteriorated culminating in his death on April 22nd. His condition had become so serious during the latter part of March that he was forced to tender his resignation as Prime Minister on April 1st. King Edward VII, reluctant to interrupt his vacation, called Asquith to Biarritz to formally accept his new position as Prime Minister on April 8th.

The assumption by Asquith of the post of Prime Minister of course necessitated adjustment of positions in the Cabinet. By far the most important change was the moving of Lloyd George from the Board of Trade to the Chancellorship of the Exchequer. Not only was Lloyd George ultimately able to crush the House of Lords from this post, but the power and prestige he gained in this position aided him immensely in his final ousting of Asquith from the Prime Ministership in December, 1916.

Other changes at this time included the moving of Winston Churchill from his post as Under-Secretary for the Colonies to the Board of Trade, while Reginald McKenna succeeded Lord Tweedmouth at the Admiralty. John Morley, although remaining in his post as Secretary for India, accepted a peerage and went to the House of Lords as Viscount Morley. This move had its irony, for John Morley had been a life long Gladstonian Liberal who had vigorously denounced the House of Lords and its blockage of such reforms as Home Rule for Ireland.

Asquith, who was destined to lead the Liberal Party and Great Britain for the next eight years, differed greatly, both in

personality and political outlook, from his predecessor, Campbell-Bannerman. Sir Henry Slessor summed up this change in Liberal leadership as follows:

The passing of the great Radical statesman (Campbell-Bannerman) at a comparatively early age had consequences, it would seem, decisive for the future of the Liberal Party. Asquith, his successor, educated in a formal atmosphere of classical Oxford and the Inns of Court, though possessed of an eminently honest and judicial mind, lacked that foreseeing genius which is the endowment of so few politicians. That the commercial assumptions of Victorian England had resulted in the subordination of life to the pursuit of profit was not to him a distasteful notion. The accumulation of so large a share of national wealth in the hands of a very few people. . . . gave him, it would seem, very little concern; The social services must be curtailed rather than taxes should unduly rise. He did not discriminate between the growing monopolies and price-fixing combinations of his time and the old, small, competitive businesses which Liberalism, through a perverted reading of the fashionable doctrine of the survival of the fittest, had thought to be inevitable, and indeed excellent.

All this was to say that, in essentials, he repudiated his predecessor's dictum that England had become a pleasure-ground for the rich. He had little sympathy with the now active and popular socialistic opinion.³

Asquith, as noted earlier, was also unlike Campbell-Bannerman, in that he was a leading light amongst the Liberal Imperialists, while the former Prime Minister had been a "Little Englander." Being an Imperialist at this time was more of a political asset than a liability, and although this facet of Asquith's political belief might disturb sections of his own party, it certainly did not harm his standing with the nation as a whole. But Asquith was certainly no Radical reformer. Above all, he was cautious, as will be seen below in his handling of the Parliamentary crisis from 1909-1911.

Lord Beaverbrook, writing of Asquith after the First World War, says of him:

³Sir Henry Slessor, A History of the Liberal Party (London: Hutchinson & Co. Ltd., 1944), pp.149-150.

A new and harsher world produced situations which could not be met by mere evasion or delay, and which would not wait on the necessities of compromise. The master of the old school of fencing met the difficulties with all the accustomed weapons. But as the world surged more and more fiercely about him his strokes began to go wide. . . . Asquith fell because he was by nature a Conservative.⁴

Although he was writing about Asquith primarily during the early part of the war, Beaverbrook's remarks to a certain extent touch upon Asquith's character in general. He was a "laissez-faire" politician, and one has the feeling that he would have been happier in his political life if the clock could have been turned back to the Gladstonian era of the nineteenth century. But time did not stand still for him, and he was constantly being pressed for action by his fellow party members, the Labour M.P.'s and the Irish Nationalists. He disliked making big decisions in a hurry.

Asquith lacks the power to drive. . . . Any Committee--call it War Council or Cabinet or what you will--is apt to dissolve in talk unless the chairman keeps them steadily to the point at issue, and makes it his business to secure from them a decision on each question as it is raised. Asquith never so understood his duties. He waited on others. He no doubt often averted conflict, but he never contributed a suggestion.⁵

Such was the nature of the man who was destined to lead the Liberal Party for the next eight years. Asquith typified those Liberals who were willing to concede only those reforms for which there seemed to be an overwhelming demand. They failed to recognize, or chose to ignore, the rapidly changing conditions in the industrial life of Great Britain.

Asquith's lack of understanding of working class problems and desires was amply demonstrated during the railroad strike in

⁴Lord Beaverbrook, Politicians and the War, 1914-1916 (London: Thornton Butterworth Ltd., 1928), p.226.

⁵Sir Charles Petre, Life and Letters of Sir Austen Chamberlain (London: Cassell, 1939-1940), Vol.II, pp.55-56.

1911. He offered the representatives of the railway workers a Royal Commission to investigate their grievances, which meant a long delay while the investigation was conducted. The dispute between the workers and employers had simmered for four years, and they were not going to be put off in this fashion. Coupled with this offer of a Commission, the Prime Minister threatened to use the military forces to keep the railroads running. This was enough to convince the worker's representatives to call a strike. When Asquith received the negative reply from the union leaders, he was heard saying, "Then your blood be on your own head,"⁶ as he left the conference room. Such words and actions were not likely to endear the Prime Minister, and his party, to the English worker.

It was Lloyd George, Chancellor of the Exchequer in Asquith's new cabinet, who was to be primarily responsible for the social reforms the Liberal Government was to enact during the next six years. As will be shown later, even his efforts were not good enough to save the Liberal Party from disaster. Unfortunately for the Liberal Party they had failed to turn up a bold, aggressive and farsighted leader when he was needed most. A twentieth-century version of Gladstone might have pulled the Liberals through the difficult years ahead. Asquith could not.

Licensing Bill; The Budget; and Old Age Pensions

When Asquith took command of the Liberal Government in April 1908, a number of bills had already been introduced into the Commons including two Scottish land bills; the Miner's Eight Hours bill; the Irish University bill; and the Elementary Education bill. Two of the most important bills of this session, the Old Age Pensions and

⁶ Askwith, op. cit., p.164.

Licensing bills, had not yet been introduced. Asquith also had to introduce his third and last Budget. Because of their importance, we shall consider these more important measures first, although chronologically, some of the secondary bills preceded them onto the floor of the Commons.

The Licensing Bill, which had been promised for 1907, but was never introduced in that session, was finally given its First Reading in the Commons on February 27th, 1908. The bill sought to find a solution to a problem which bothered a great many Liberals, namely, the excessive number of public houses that dispensed liquor in the United Kingdom. This was another issue that had long been part of the Liberals reform program. The local veto over the sale of alcoholic beverages had been part of the famous "Newcastle Programme" adopted by the Liberal Party in 1891.⁷ It was, however, a plank in the Liberals program that never received the overwhelming support of the rank and file of the party. After the Liberal defeat in the election of 1895, many Liberal candidates expressed the belief that the inclusion of this "Prohibition" question in the campaign had seriously hurt the party at the polls.⁸

The Unionists in 1904 had passed a Licensing Bill which had reduced the number of licensed public houses by 4000 in a three year period following the passage of the act. But there were still some 95,000 establishments in operation, and the Act of 1904 had not provided for the "local veto." Thus, when Asquith introduced

⁷The "Newcastle Programme" is discussed in: J. A. R. Marriott, Modern England 1885-1945 (London: Methuen & Co. Ltd., 1948), pp.64-65.

⁸For a more detailed account of this issue see: Frederick Dolman, "Liberal Party and the Local Veto," Fortnightly Review, LXV, (February, 1899).

the Liberal's new licensing bill, he stated the Government's objectives as follows:

In the opinion of the Government, reform, to be effective, must aim at the attainment. . . . of two main purposes. The first is an immediate and progressive reduction in the excessive facilities which are now allowed for the retail sale of intoxicating drinks. The second. . . . is the gradual but complete recovery, with due regard for existing interests, by the State of its dominion over and its property in a monopoly which had been improvidently allowed to slide out of its control.⁹

To accomplish these ends, it was proposed to reduce the number of public houses by approximately one-third over a fourteen year period. Local licensing authorities would be compelled to reduce the number of licensed premises according to a set ration of establishments to population, and any petitions for new licenses were to be subject to the full discretion of the local authority. Compensation was to be paid to those persons who lost their licenses by this reduction from a fund created by a tax on the liquor trade. At the end of the fourteen year period, all compensation was to cease, and local authorities were then to have complete control over the liquor trade in their area. If they so desired, they could enforce complete prohibition of its sale after the expiration of the fourteen year period.¹⁰

The fears that Liberals had expressed in 1907 as to the fate of such a bill were confirmed by the action of the House of Lords in this session. But before the Lords saw fit to reject the bill on November 27th, a number of the Conservative peers were to question the wisdom of once again rejecting a major piece of the Govern-

⁹H. of C., February 27, 1908 (Parliamentary Debates, 4th Series, Vol. clxxv, p.74.)

¹⁰The clauses of the Licensing Bill can be found in the Parliamentary Debates, 4th Series, Vol. clxxx, pp.73 ff.

ment's legislative program. Not only were there doubts amongst some of the Unionist Lords at this point, but King Edward was becoming more concerned as to the wisdom of rejecting the bill. He consulted with Lord Lansdowne early in October in an attempt to persuade him to do everything possible to reach a compromise with the Liberals on this question. But Lansdowne was determined to block the Licensing Bill, and on November 24th, the day before the bill came up for its Second Reading in the House of Lords, he called a meeting of Unionist peers to his home for the purpose of receiving their approval to his motion for rejection. The majority of the peers assented to his proposal.

Lord Crewe, Liberal leader in the Lords, vigorously attacked this action when he moved the Second Reading of the Bill the following day.

I have learned. . . . that your Lordships held a sitting yesterday, not in this Chamber, but in a famous house in a famous square, and at that sitting a novel stage of this Bill, interposed between the First and Second Readings was considered I am bound to say that I do not think the manner in which that proceeding was conducted will redound in the country to the credit of your Lordships' House. . . . We shall have, I suppose, to accept the results of that meeting. . . .¹¹

Lord Crewe was correct in his supposition, but before the final division was taken on the Second Reading, a number of Unionist peers spoke out against a rejection of the bill, including the Archbishop of Canterbury. The Archbishop, speaking in defense of the measure, said:

The Bill was opposed yesterday by the noble Marquess who leads the Opposition (Lansdowne) and by others on account of what the noble Marquess called his rooted objections to its principles. I, on the other hand, believe its main principles to be right and sound. . . . I do profoundly regret that we are to be given no opportunity of discussing these matters in detail,

¹¹H. of L., November 25, 1908 (Ibid., Vol. cxvii, p.281.)

and I deplore the fact that the House of Lords should, on an occasion such as this, place itself in the position of taking what I believe thinking men hereafter will unite in regarding as the wrong side.¹²

As a result of his stand on the Licensing Bill, when the division was taken, all of the Lords Spiritual went into the Government lobby to vote for the bill. They were joined by a small number of Unionist peers that included Lord Milner and Lord Lytton, but their numbers were not sufficient to carry the Second Reading. The defeat of the Licensing Bill thus destroyed once again a major part of the Liberal legislative program and added another grievance which the Liberal majority in the Commons was to use as ammunition against the House of Lords when the time came to destroy that Chambers' legislative powers.

On May 7th, Asquith introduced his third and last Budget in the Commons. His previous two budgets in 1906 and 1907 had been almost perfect examples of the old traditional Liberal principle of financial "retrenchment." In 1906, the national debt had been reduced by some 10,000,000 pounds, while at the same time the tea tax was reduced and the export tax on coal abolished. The following year, the Chancellor of the Exchequer made a further reduction in the debt by over 16,000,000 pounds, and although death duties on estates were raised slightly, a distinction was made for the first time between earned and so-called "unearned" income with the tax being reduced on earned income.

The Prime Minister, in his Budget address of 1908, indicated what the future might hold for the British taxpayer, and what his fiscal philosophy had been during his three year tenure of the

¹²H. of L., November 26, 1908 (Ibid., pp.538 ff.)

Chancellorship.

In my judgement there cannot be a greater mistake than to suppose that a free trade Finance Minister has come to or is nearly approaching the end of his resources in the matter of new taxation. My solitary contribution in this direction during my three years of office has been a comparatively trivial addition to the death duties last year, because, as I have said, I regarded it as my first and main duty to do what I could to reduce the national liabilities.¹³

For the fiscal year 1908-1909, it was proposed to reduce the nation's indebtedness by another 15,000,000 pounds, coupled with a substantial reduction in the Sugar Tax and the Stamp Tax on marine insurance policies. Included in the Budget was a provision for Old Age Pensions,¹⁴ which Asquith had promised in his Budget of the previous year.

The provision for an Old Age Pensions scheme was the result of pressure upon Parliament, both from within and without, which had greatly increased in intensity over the preceding decade. Liberals and Unionists alike had committed themselves to the basic principles of old age relief, although Unionists desired a contributory scheme so that the Chancellor of the Exchequer would not have to provide all the funds necessary for the pensions. The Government's pension scheme was very modest, calling for the expenditure of only six million pounds for the year 1909, but it was to be entirely non-contributory. Men and women over the age of seventy were to receive between one and five shillings a week depending upon their annual income. If their income exceeded thirty-one pounds, ten shillings, annually they were not entitled to a pension. By 1914, the act was to cover nearly one million aged at a cost of thirteen million

¹³H. of C., May 7, 1908 (Parliamentary Debates, 4th Series, Vol. clxxxviii, p.480.

¹⁴8 Edw. 7, Cap. 40: An Act to provide for the Old Age Pensions.

pounds.

The Trades Union Congress, although welcoming the final passage of the bill, were dissatisfied on two counts.¹⁵ They were displeased with the fact that the Government had not introduced the bill in 1907, and that the age limit had not been set at sixty. That this measure was long overdue is attested to by the fact that the members of all political parties supported the bill in principle, although differing on the exact form of the scheme. Even though enactment of such pensions was overdue, and the final bill was modest in form, there were right-wing Liberals who had serious misgivings about legislation of this character.

For them, this type of legislation was a great departure from the old concepts of nineteenth-century Liberalism. Their feelings are well expressed by A. V. Dicey.

My immediate object is to show that certain well-known Acts of Parliament belong in character to, and are the signs of the power exercised by, the collectivist movement during the first thirteen years of the twentieth century. . . . The laws which most directly illustrate the progress of collectivism are the following Acts, The Old Age Pensions Act, 1908, is absolutely opposed to the beliefs of the Benthamite Liberals. . . .¹⁶

Dicey felt that the Poor Laws of the nineteenth century had been adequate for the provision of the basic needs of the poor, and legislation such as the Old Age Pensions Act was bound to encourage indolence in the working classes and destroy their incentive to save for their old age. He was also greatly disturbed by the fact that these people would have the right to vote in Parliamentary elections, and they might eventually, through the exercise of their

¹⁵1907 Trades Union Congress Report.

¹⁶A. V. Dicey, Law and Public Opinion in England (2d ed. rev.; New York: The Macmillan Co., 1952), pp. xxxii ff.

franchise, force future Parliaments to reduce the age for pensions, thus compounding the evil.

The problem confronting many Liberals was that of adjusting the older principles of nineteenth-century Liberalism, in which there was a minimum of State intervention in the life of the individual, to the new demands for social legislation which called for increased State interference in the life of the community. Liberal political theorists, during the latter part of the nineteenth-century became concerned with the growing conflict between individualistic Liberalism and Collectivism. L. T. Hobhouse attempted to synthesize these conflicting principles for Liberals when he wrote in 1911:

The central point of Liberal economics, is the equation of social service and reward. This is the principle that every function of social value requires such remuneration as serves to stimulate and maintain its effective performance; that every one who performs such a function has the right, in the strict ethical sense of that term, to such remuneration and to no more; that the residue of existing wealth should be at the disposal of the community for social purposes. . . . It is evident that these concepts embody many of the ideas that go to make up the framework of Socialist teaching, though they also emphasize elements of individual right and personal independence, of which Socialism at times appears oblivious.¹⁷

The attempt to re-establish Liberalism on a middle ground was not only difficult for the theorist, but for the practical politician as well. How far should a Liberal Government go in its social legislation without some guiding principle to indicate whether they had gone far enough, or too far? With political philosophies both to the Right and Left, "Year by year Liberals would be bound to ask themselves 'How long halt ye between two opinions?'"¹⁸

¹⁷L. T. Hobhouse, Liberalism (New York: Henry Holt & Co., 1911), pp.209 ff.

¹⁸Ivor Bulmer-Thomas, The Party System in Great Britain (London: Phoenix House Ltd., 1953), p.42.

Such a state of affairs was bound to lead to hesitation, confusion, timidity in actions and inaction. Thus, the Liberals spent over three years in finding an issue upon which they might challenge the House of Lords. Meanwhile, much time was wasted on bills that lacked wide popular support or were certain to be lost in the House of Lords, such as the Education and Plural Voting bills of 1906; the land reform measures of 1907; and the Licensing, Education and Land Reform bills of 1908.

Timidity in approach to social legislation by the Liberal Government was amply demonstrated in the case of Old Age Pensions. When compared with a similar scheme already in operation in New Zealand,¹⁹ the Liberal Government's plan was rather moderate in character. New Zealand's scheme was much more liberal in that its pensions were to start at age sixty-five, instead of seventy, as in England; the pension given was higher by two shillings a week in New Zealand; and the qualifying income when pensions were to be made was much higher in that country. If Liberals hoped to be able to continue their historic fiscal policy of "Retrenchment," by thus limiting the scope and coverage of the new social services, they were due for a rude awakening.

The Liberals had come into office in 1906 committed to a fiscal policy that would reduce both taxes and governmental expenditures. Asquith, as Chancellor of the Exchequer, had been successful in fulfilling this pledge to a large degree in his Budgets of 1906 and 1907.²⁰ But new factors arising in 1908 were to doom this fiscal

¹⁹See William Sutherland, Old Age Pensions in Theory and Practice, with some Foreign Examples (London: Methuen & Co. Ltd., 1907).

²⁰For the Budgets of 1906 and 1907 see: H. of C., April 30, 1906 (Parliamentary Debates, 4th Series, Vol. clvi, pp. 307ff.) and H. of C., April 18, 1907 (Parliamentary Debates, 4th Series, Vol. clxxii, pp. 1220ff.)

policy. Provision of Old Age Pensions helped in expanding the cost of governmental operations, but the most important factor contributing to the increase in expenditures was the rise of German naval power. The German naval bills of 1898 and 1900 were aimed at making Germany a first-class sea power, and England could not long ignore such a challenge to her supremacy. The reaction against the large expenditures for the Boer War had brought about a modest cut in naval expenditures, even before the Liberals took office in 1905.

In line with Liberal fiscal policy, it was the intention of the new Government to cut armaments even further. The Naval Estimates during the first year of the Campbell-Bannerman administration had been reduced by one and a half million pounds, and the Admiralty had agreed to stop the construction of one of four proposed "dreadnoughts," pending the outcome of the Hague Conference of 1907 on disarmament. At the Hague Conference, a resolution was adopted approving disarmament, but no concrete measures were agreed upon to implement this resolution. As a result of this failure to reach an agreement on disarmament, the Liberal Cabinet was faced with the problem of growing German naval power. Haldane had been successful in reorganizing the Army without increasing expenditures, but could the same be done with the Navy?

The storm finally broke within the Cabinet during January and February 1908.²¹ Lord Tweedmouth, First Lord of the Admiralty, asked for an increase of two million pounds for the Navy in 1908. He indicated that if the Cabinet would not meet his demands, he would resign his post. A compromise was finally reached, whereby the Naval Estimates were increased by slightly over a million pounds,

²¹Spender and Asquith, op. cit., p.232.

but it was evident that this was only the beginning of the demands which would be made on the Liberal Government to increase British armed strength.

The armaments race was on in Europe, and from this point onward, the Liberals fought a losing battle in their effort to maintain a fiscal policy of "retrenchment." The Budget of 1908, even with the increase in the Navy Estimates and the provision of funds for the Old Age Pensions, still provided for debt reduction and tax cuts, but the Budget of 1909 was to reflect the growing concern of Englishmen over German armaments and would mark the end of an era in British history.

But before turning to this famous Budget of 1909, it is necessary to consider the remainder of the legislation for 1908. Besides the Old Age Pensions legislation, there was one other important social reform passed by Parliament in this session. This was the Coal Mines (Eight Hours) Bill.

Regulation of Hours of Work

Legislation regulating the hours of work was not novel in the Houses of Parliament, for both Liberal and Unionist governments had dealt with this problem where it concerned women and children. But the Coal Mines (Eight Hours) Bill²² was novel in that it was the first attempt by a British Parliament to extend the restriction on the hours of work to adult laborers in general. Liberals had toyed with this type of legislation from the early years of the 1890's, but it was not until 1908 that they made their first serious attempt to pass such legislation. Laurence Hardy, Unionist M.P., speaking

²²8 Edw. 7, Cap. 57: An Act to amend the Coal Mines Regulation Acts of 1887 to 1905, for the purpose of limiting hours of work below the ground.

in opposition to the bill upon its introduction on February 20th, sounded like a 19th century Liberal.

The House has legislated frequently in connection with hours of labour, but it had always legislated in order to protect the weak or the young or those who were unable to protect themselves. The miners' interest was powerful. It was the best organized form of labour. . . . It was desirable that a voice should be raised against this novel legislation which he believed was not required and which he believed would be a great burden to many portions of the community.²³

His was a voice in the wilderness, for although the bill was changed substantially by amendment before its final passage, the principle of regulating hours of work for all adults was accepted by both Liberals and Conservatives. The "laissez-faire" concept of the "freedom of contract" was rapidly becoming a dead letter.

The Coal Mines (Eight Hours) Bill represents the fulfillment of a pledge by the Liberal Government to the Miners' Federation; the largest trade union that still supported "Lib-Labism." However, the Miners' Federation had to be satisfied with a bill that was greatly emasculated by the House of Lords. The Lords amended the bill so that the time spent by miners going to and from the actual site of work was to be excluded in computing the eight hour day. Mine owners could also require the miners to work nine hours a day for sixty days, and the act could be suspended by the Government in cases of national emergency or grave economic crisis. Despite these serious restrictions, this act represents the acceptance of both major political parties of the principle of State restriction upon the hours an individual should work. And as such, it also represents another victory for the Labour movement, and an increase in prestige for their representatives in Parliament.

²³H. of C., February 20, 1908 (Parliamentary Debates, 4th Series, Vol. clxxiv, pp.1054-1055.

Education and Land Reform

On the 7th of December, 1908, the Prime Minister told the House of Commons:

I am not ashamed to confess that after a public life now prolonged for many years and spent for the most part, as many here will be ready to acknowledge, in acute and uncompromising controversy. . . . that I have never experienced a more heavy and thorough disappointment.²⁴

What was this great disappointment to which the Prime Minister had been subjected? He had been forced to withdraw the Elementary Education Bill for England and Wales. This was the second time within the same year that the Government had been forced to withdraw an Education Bill for England and Wales. The first bill, introduced in February by Reginald McKenna, met with great hostility from the outset. A. J. Balfour's reply to McKenna's introduction to the bill made the position of the Opposition quite clear.

When he (McKenna) goes on to say that the object which he has in view in bringing forward this Bill is to relieve the Department over which he presides of all the difficulties incident to the work of education caused by the bitterness of the religious controversy, then I am bound to say that never, in all my Parliamentary experience, have I known a Bill brought in for a particular object which seemed less qualified to carry it out.²⁵

The Opposition made it quite clear that the Bill was almost completely unacceptable to them, and the Government withdrew the bill. Walter Runciman succeeded McKenna as President of the Board of Education when Asquith became Prime Minister in April, and he assumed the responsibility for negotiating a compromise between all the interested parties. For the better part of the year, Runciman sought some kind of compromise that would be acceptable to all, and

²⁴H. of C., December 7, 1908 (Ibid., Vol.cxcviii, p.102.)

²⁵H. of C., February 24, 1908 (Ibid., Vol.clxxxiv, p.1389.)

finally in November he introduced the second Elementary Education Bill. Under the provisions of this act, all single-school parishes were to become state supported Council Schools. Denominational schools were not to receive any funds from the local rates, but would continue to receive grants from the Exchequer. And finally, denomination instruction was to be allowed two mornings a week in Council Schools at the parents request, provided that the cost was not born by the local educational authority.

As late as October 26th there seemed to be a good chance that a bill satisfactory to all could be agreed on. Runciman writing to Lord Knollys said:

Since the King saw the Archbishop on Monday (October 26th) the Bishops met at Lambeth yesterday, and the Archbishop writes me that he is now able to repeat that the Bishops on the whole are in favour of a settlement of the Educational controversy now. . . . The Nonconformists. . . . have strained their people so far, that if this effort fails the opportunity of making peace will have passed.²⁶

The opportunity did pass. An Anglican Church Council rejected the compromise bill on December 3rd, and Asquith had no alternative but to withdraw the bill. The majority of Anglicans, it seemed, were not willing to give up their control of parish schools in the rural areas despite the concessions extended to them permitting denominational instruction in the Council Schools. As a result of this rejection by the Church Council, and the consequent withdrawal of the bill, Liberals were never again to have the opportunity of settling this question. Another ten years was to pass before agreement could be reached on this issue, and by that time the Liberal Party had been rent asunder, and a Coalition Government

²⁶Sir Sidney Lee, King Edward VII; A Biography, Vol.II, (London: Macmillan & Co., Ltd., 1927), pp.658-659.

ruled England. A great many Liberals must have looked back and wondered how so much time could have been wasted on an issue that was bound to receive unfavorable criticism from the Lords, Spiritual and Temporal.

More time was wasted once again on land reform in Scotland. The Government again introduced a Small Landholders Bill and Land Values Bill for Scotland, and they were treated in the same way by the Lords as had been the case in 1907. The Landholders bill was rejected, and the Land Values Bill so amended by the Upper Chamber that it had to be withdrawn by the Government. The suspicions of the Lords as to the use that would be made of the Land Values Bill is clearly shown by Lord Balfour of Burleigh.

I venture to say that if we are to go forward on this path, if we are ever to change the basis of local ratings from annual to capital value, it should be done only after the fullest, fairest, and frankest discussion, and on the responsibility of the Government as a whole, speaking with one voice, after taking Parliament fairly and fully into their confidence and after laying the whole of their scheme before Parliament.²⁷

The Lords were not willing to enact a law that would be the preliminary step towards a scheme of capital value taxation of the land.

Land reform in Ireland continued to plague Parliament, but the Government's Land Purchase Bill was introduced so late in the session that it had only passed its Second Reading in the Commons before the December adjournment. However, the bill met little opposition in either chamber and it received the Royal Assent in 1909. Ireland did secure one great reform during this session and that was the Irish Universities Bill. Catholics in Ireland had sought for

²⁷H. of L., July 9, 1908 (Parliamentary Debates, 4th Series, Vol. cxvii, p.18.)

many years to secure a Catholic University, for the only major college in Ireland was the Protestant dominated Trinity College in Dublin. The Government's bill, introduced by the Chief Secretary for Ireland, Augustine Birrell, proposed to establish two new universities; one in Belfast and the other in Dublin. Neither of these two new universities was to require a religious test of their students or faculty, but it was tacitly assumed that the new Dublin University would be Catholic dominated, while the university at Belfast would be Protestant dominated. All political factions in the Commons agreed on the major principle of the bill, and only the details had to be worked out. The bill passed through both Houses with minor amendments and received the Royal Assent on August 1st.

Minor Legislation and By-Elections

Several minor bills are worth noting which were of a non-controversial character and received the support of all parties. The Children's Bill²⁸ was a comprehensive measure that, amongst other things, provided for the inspection of institutions and homes that undertook the care of children, and strengthened the law governing cruelty to children. The act also established special courts to deal with juvenile offenders. An Education Bill for Scotland²⁹ extended compulsory attendance at continuation schools from the age of fourteen to seventeen. A Port of London Bill was also enacted in 1908 which established for the first time a single central authority

²⁸ 8 Edw. 7, Cap. 67: An Act to consolidate the Law relating to the Protection of Children and Young Persons, Reformatory and Industrial Schools, and Juvenile Offenders and otherwise to amend the Law with respect to Children and Young Persons.

²⁹ 8 Edw. 7, Cap. 63: An Act to amend the Laws relating to England and Scotland and for other purposes connected therewith.

to control the docks and other shipping facilities in the port.

Though the Liberal Government had finally succeeded in enacting a long overdue Old Age Pensions scheme, and the Coal Mines (Eight Hours) Bill, there was a decided slump in Liberal support throughout the country as indicated by the by-elections of 1908. Liberals had lost only one by-election in 1906, and only three in 1907. In 1908, however, Liberals lost no fewer than seven by-elections,³⁰ and although these losses by no means threatened the great Liberal majority in the Commons, it indicated a rapid waning of Liberal popularity. These losses were particularly disturbing to Liberals, for the seats lost were not in rural areas that might be expected to return to the Conservative column once the issue of Free Trade had subsided, but these seats were primarily urban industrial constituencies where Liberal voting strength was supposed to be great. Not only did Liberals lose seven seats, but their winning margins in other constituencies were drastically reduced when compared with the results of the 1906 General Election.

In January 1908, Liberals lost by-elections in Mid-Devon and South Herefordshire, and these losses were followed by a very narrow victory in South Leeds. The Liberal plurality was reduced to a mere 400 votes in this latter contest when a Labour candidate polled nearly 2500 votes. During March and April, two more seats were lost by Liberals at Peckham and North-West Manchester, and in May, although the two Liberal candidates managed to win in by-elections at Dundee and Montrose, Labour candidates showed greatly increased voting strength. At Dundee, the Labour candidate ran

³⁰For results of the by-elections of 1908, as well as those of the entire period from 1906 through 1909, see The Liberal Magazine, XVII (December, 1909), pp.711ff.

third, but polled only 356 fewer votes than the Unionist, while at Montrose, the Labour candidate ran second to the Liberal winner, with the Unionist running third.

Two seats were lost in June and September as the direct result of Socialist candidates drawing enough votes away from Liberals so that the Conservatives were able to win the seats. At Pudsey, the Socialist polled 1291 votes and a Conservative was elected with a plurality of 113 over the Liberal candidate. In the Newcastle-on-Tyne by-election in September, another Socialist polled 2971 votes and the Conservative won with a plurality of 2,143 votes over his Liberal opponent. In both instances, the Socialist vote was sufficient to have given the Liberal a comfortable majority in these constituencies, had not a third candidate been injected into the contests.

Why had Liberal support dropped so sharply in these areas during 1908? One important factor, particularly in the industrial urban areas, was the rapid rise of unemployment during 1908.³¹ Unemployment had been rising slowly during 1906-1907, but a sharp drop in exports during 1908, threw many workers into the ranks of the unemployed. Within the trade unions, fewer than 5% of their members were unemployed in the latter part of 1907, but by the fall of 1908, this figure had been almost doubled to 10% unemployed. It was not until the spring and summer of 1909 that these figures showed any substantial changes, and then a recovery in foreign trade brought about a rapid reduction in the number of unemployed.

³¹For unemployment figures see Abstract of Labour Statistics, Board of Trade (Labour Department), Fourteenth Abstract of Labour Statistics of the United Kingdom, 1908-1909; printed in 1911.

The Government's measures³² to cope with this situation failed to relieve to any great extent the suffering caused by this unemployment. This fact, coupled with the over-all failure of the Liberal Government to inaugurate a comprehensive legislative program of social reform during its first three years in office, was cause enough for the growth of dissatisfaction amongst the working classes. "Certainly, at the end of 1908, the Liberal stock had slumped to an extent of which no one would have dared to dream on the morrow of the 1906 election."³³

What could, or would, the Liberals do to raise their waning political stock? The House of Lords still blocked the way for many bills the Liberals had hoped to enact. The attempt to rejuvenate the Liberal Party, and settle old scores with the Lords, was to come in the form of the 1909 Budget.

³²Measures taken by the Government to combat unemployment in 1908 are set forth in H. of C., October 26, 1908 (Parliamentary Debates, 4th Series, Vol. cxliv, pp.1674ff.

³³Wingfield-Stratford, op. cit., 224.

CHAPTER V

LLOYD GEORGE AND THE BUDGET OF 1909

David Lloyd George sounded what may be considered the "key-note" speech of 1909 in his famous speech at Limehouse on July 30th. Attacking the great landlords of Great Britain, he said in part:

They never deposited the coal there. It was not they who planted the great granite rocks in Wales, who laid the foundation of the mountains. Was it the landlords? . . . All I can say is this: the ownership of land is not merely an enjoyment, it is a stewardship. It has been reckoned as such in the past, and if they cease to discharge their functions, the security and defence of the country, looking after the broken in their villages and in their neighborhoods--then those functions, which are part of their traditional duties. . . . if they cease to discharge those functions, the time will come to reconsider¹ the conditions under which land is held in this country. . . .

This attack upon the landlords arose partially out of the larger fiscal problem of this session. Although Lloyd George had long cherished the idea of bringing about drastic land reform, he had not had the opportunity of implementing this reform until he presented his first Budget as Chancellor of the Exchequer in 1909. The problem which confronted Lloyd George in particular, and the Liberal Cabinet as a whole, was made clear in the King's Speech at the opening of Parliament on February 16th.

Owing to various causes, including the new provision which was made last year for old age, and an increase which has become necessary in the cost of my Navy, the expenditure of the year will be considerably in excess of that of the past twelve months. In these circumstances, the provision necessary for the services of the State in the ensuing year will require very serious consideration, and, in consequence, less time than usual will, I fear, be available for the consideration of other legislative measures.²

¹S. MacCoby (ed.), The English Radical Tradition (London: Nicholas Kaye, 1952), pp.221 ff.

²H. of L., February 16, 1909 (Parliamentary Debates, 5th Series, Vol.1, p.13)

Thus, it was evident that the fiscal program was going to consume a great deal of Parliament's time during this session. But even so, the Speech also indicated that the Government also intended to introduce a fairly large number of other measures, including bills dealing with: Church Disestablishment in Wales; Housing and Town Planning; Trade Boards; Labour Exchanges; Irish Land; Old Age Pensions amendments; Indian Councils; Milk and Dairies; Shop Hours; and last, but not least, Inebriates. The bills dealing with Irish land reform and Housing had already passed through several stages in the previous session, and therefore would not consume too much time in this session. Yet, even with this advantage, the Government was being extremely optimistic in presenting such a lengthy legislative program. The Disestablishment of the Church in Wales, for example, was an extremely controversial issue, and it was highly improbable, after the way the Church Council had handled the Elementary Education bill of 1908, that the Church would accept such a measure as Disestablishment without a vigorous fight.

But before considering these legislative measures set forth in the King's Speech, attention must be given to the Budget, for it was the fiscal issue upon which the major developments of this year revolved. All other issues became secondary to this one, and the Liberal Party was destined to fight a General Election on its account.

The Rising Cost of Government

On April 29th, Lloyd George presented his Budget,³ and due to its length and complexity, it took him nearly four and a half

³For an analysis of Lloyd George's Budget of 1909 and other Budgets of this period see: Bernard Mallet, British Budgets, 1887-1913 (London: Macmillan Co., 1913).

hours to present it to the Commons. He made it quite clear from the outset, that unless new sources of revenue were tapped, the Government faced a deficit of over 16 million pounds during the fiscal year 1909-1910. The primary reason for the large increase in governmental expenditures was due to the increase in the Navy estimates, and the need for funds to finance social reform schemes, particularly the Old Age Pensions program.

The agitation for a stronger navy became more insistent in the spring of 1909. A. J. Balfour, leader of the Opposition in the Commons, was taking every opportunity in his public addresses to attack the Liberal's navy program, or what he considered a lack of program, throughout the country. In one of these speeches he said:

For three years I and my friends have pleaded for the cause of a greater Navy, especially in respect of Dreadnoughts. . . . In their (Liberals) first year of office they built but three. In their second year they built but three. In their third year, at the very moment when Germany was straining every nerve to increase its power of output, they added nothing to their plant, and only two Dreadnoughts to the power of the British Navy.⁴

The reference of Balfour to Germany was with regard to the new German Naval Law of 1908, which called for the laying down of four capital ships a year. The Liberals were not unaware of this new German threat, and Reginald McKenna, the First Lord of the Admiralty, was insistent in his demand that the Budget of 1909 provide for the building of six Dreadnoughts.⁵ The Radicals in the Cabinet, however, wanted all the funds they could possibly get for programs of social reform, and they were not fully prepared to

⁴Blanche C. Dugdale, Arthur James Balfour (New York: G. P. Putnam's Sons, 1937), Vol.II, p.32.

⁵The difficulty over the Budget of 1909 within the Cabinet is discussed in: Malcolm Thomson, David Lloyd George (London: Hutchinson & Co. Ltd., 1951), p.183.

accept the German threat as being as serious as some members of the Cabinet and the leaders of the Opposition believed it to be. If it was absolutely necessary to build the ships, let them be built. But let the Chancellor of the Exchequer also find the funds for the extension of social reforms so dear to the hearts of Radicals. Thus it was left to Lloyd George to find means for financing the demands of both sides.

The split within the Cabinet during the early months of 1909 was so serious that McKenna came very close to resigning his post at the Admiralty. The final settlement of the issue over the Dreadnoughts within the Cabinet was a bit startling, for as Winston Churchill wrote later:

The dispute in the Cabinet gave rise to a fierce agitation outside. . . . In the end a curious and characteristic solution was reached. The Admiralty had demanded six ships: the economists offered four: and we finally compromised on eight. . . .⁶

The Cabinet had resolved to build the Dreadnoughts, and Lloyd George was prepared to find the funds for the ships. But he also had plans for social reform that would call for increased demands upon the Treasury in the future, and he accordingly made room in his Budget for new taxes that would yield these necessary funds when the time came. These new taxes, which will be discussed in greater detail below, did not receive the warmest of receptions within the Cabinet.

L. G. was wont to speak of his difficulty in carrying his revolutionary taxes through the Cabinet. He said by far the most difficult fight he had was in the Cabinet, not in the country. Harcourt was the most inveterate in obstructing his proposals. . . . Crewe, while not liking them, said very little.

⁶Winston Churchill, The World Crisis, 1911-1918 (rev. ed.; London: Thornton Butterworth Ltd., 1931), p.39.

Grey said nothing. But at heart they were all against him
⁷

Asquith, although not an avowed supporter of Lloyd George, gave him sufficient support at critical points in the Cabinet debate on the new forms of taxation so that the Chancellor of the Exchequer was ultimately able to secure the approval of his Budget. Without this support of the Prime Minister, Lloyd George would have been forced to use more traditional forms of taxation to cover the deficit, and the showdown with the House of Lords would have been postponed for several more years. The coolness of a large number of the members of the Cabinet towards Lloyd George on this occasion, illustrates the growing divergence of political opinions within the Liberal ranks.

According to Mr. John Burns, ex-Labor leader and Liberal careerist, the Cabinet deliberated upon this alarming document 'like nineteen rag-pickers round a 'eap of muck.' Most of them could probably see that in practice it was largely unworkable. Some of them were allied by⁸ birth, and all by friendship, with the rich whom it assaulted.

Despite the misgivings of a number of Cabinet members with respect to the new forms of taxation to be employed, they had to face up to the fact that new sources of revenue had to be found to meet the increasing costs of governmental operations. And, as Lloyd George contended, the Budget might provide an excellent trap for the House of Lords. If the Lords rejected the Budget, then the Liberal Party would have the issue they needed to back them in their final assault on the veto power of that Chamber. This possibility was enough to convince even the most conservative Liberal that the Budg-

⁷Malcolm Thomson, David Lloyd George (London: Hutchinson & Co. Ltd., 1951), p.183.

⁸George Dangerfield, The Strange Death of Liberal England, (New York: Harrison Smith & Robert Haas, 1935), p.20.

et should be tried, in spite of their objections to some of the more radical clauses in that document. For after all, was it not the overwhelming desire of all Liberals to settle their grievances with the Peers?

Having overcome Cabinet opposition in the end, Lloyd George presented his famous, or infamous, Budget to the House of Commons on April 29th, 1909.

Provisions of the 1909 Budget

What were these controversial taxes that Lloyd George proposed to initiate in 1909? Some of his proposals were merely suggested increases in old taxes, while others were to be used for the first time. The major changes he sought were as follows:-

Income Tax - The income tax was to become more steeply graduated by raising the rate from one shilling to one shilling, two pence, in the pound on incomes over 3,000 pounds per year. A super-tax was to be levied on incomes over 5,000 pounds at the rate of six pence in the pound, with an additional three pence taken out on incomes over 6,000 pounds. With regard to the income tax, Lloyd George told the Commons:

I should like specially to call the attention of the Committee to the wonderful steadiness in the yield of the income tax. In spite of one of the worst years of bad trade which this country has experienced for many a year, the income tax has surpassed every prediction and realised nearly a million pounds in excess of the Budget Estimate.⁹

Many future Chancellors were to find this statement generally valid, as were other nations throughout the world that were confronted with the mounting cost of government in the 20th Century.

⁹H. of C., April 29, 1909 (Parliamentary Debates, 5th Series, Vol. iv, p. 474.

Death Duties - By keeping the percentage rates the same, but changing the categories of estates to which they were to be applied, (the 15% maximum would start at $1\frac{1}{2}$ instead of 3 million pound estates), the Treasury would receive an additional 2.8 million pounds. This, coupled with the increase in income tax rates, would decrease the deficit by 6.3 millions. Legacy and succession duties were to be increased from 3 to 5%.

Customs and Excises - Though the Liberals had failed to pass their Licensing Bill, the Chancellor of the Exchequer hoped to salvage something of this program to curb the liquor trade. He therefore increased the cost of liquor licenses by 2.6 million pounds, and the duty on spirits by 1.6 millions. The tobacco tax was also increased to provide an additional 1.9 million pounds.

Land Taxes - These taxes were the newest, and most controversial, types of revenue to be found in the Budget. All of the aforementioned taxes had been well established, and hence it was only a question of their being increased. But the land taxes had not been accepted in principle. Lloyd George sought a 20% tax on any "unearned increment" in the increased value of land each time it was sold. The Budget also provided for a 10% tax on the increased value of leased property, whenever renewals of the leases occurred. Landlords were also to be taxed for failure to cultivate or develop mineral resources on their land, and a one shilling tax for each pound of mineral royalties received was to be imposed.

Said Asquith of the new land taxes:

It was the land taxes, and perhaps still more the proposed valuation of land, which 'set the heather on fire.' Their immediate yield was estimated to be very small, but the alarmists

saw in them a potential instrument for almost unlimited confiscation.¹⁰

In retrospect, it would seem that the fight which followed over the land taxes was out of all proportion to the amount of money involved. For out of a total estimated revenue of 162.6 million pounds, only .5 millions was to be raised by the new land taxes. But it was not to the immediate effects of the land taxes that the supporters of this vested interest looked.

For the land taxes and the land valuation clauses attached to them were a sentence of gradual death. In a generation or so--perhaps more for a Duke than a Squire--a class, which had unified rural society and discharged unpaid many duties of local leadership and administration, as well ecclesiastical as civil, was to be deprived of the means of discharging those duties. It would have been as equitable to abolish landlords--'God gave the land to the People', they sang--in one sweeping act of social revolution. Liberal moderation preferred to gnaw away their livelihood in easy gulps and expose them to the increasing odium of being unable to maintain their farms and succour the needy as they used to do.¹¹

This passage indicates what a good many Conservatives, particularly in the House of Lords, felt the end result would be if the principle of these land taxes was approved. A. J. Balfour attacked the sections of the Budget dealing with the land taxes on the grounds that it discriminated against one form of property, and he seriously doubted the constitutionality of including in a Finance Bill schemes for the valuation of land. Such measures, he believed, called for separate legislation such as the Scottish Land Valuation Bills, which had been twice defeated by the House of Lords.

Regardless of the arguments used by the opponents of these novel taxes, it was apparent from the very beginning of the debates

¹⁰H. H. Asquith, Fifty Years of Parliament (London: Cassell & Co. Ltd., 1926), Vol.II, p.69.

¹¹John Biggs-Davison, George Wyndham (London: Hodder & Stoughton, 1951), p.200.

on the Budget that the discussions would be lengthy and heated, both inside and outside the Houses of Parliament. The Conservative Press jumped into the fray with all possible speed. Hilaire Belloc remarked in the Commons on May 4th:

I take one very typical Peer in the modern House of Lords-- Lord Northcliffe. I read all his daily papers, which circulate largely in London, and I find in them, without exception, the expression in one form or another, that it was the duty of that great body that he adorns to destroy this Budget. In the 'Observer' he said it was a thing any second Chamber in Europe would do. Personally I, like the leader of the Nationalist party, hope they will throw out the Budget; but I do not think that they will commit such a colossal act of folly. It will be so monstrous, and show such an inconceivable ignorance of the temper of the Constituencies, that not even an organised monopoly of the London Press will make it possible. . . .¹²

Belloc's hopes were to come true in November, but between the introduction of the Budget and then, the battle was to be waged from the public platform, in the press and in both Houses of Parliament. A Budget League was formed by the Liberal Party to organize the fight throughout the country, while the Conservatives countered with a Budget Protest League. Lloyd George became the chief protagonist for the Liberals on public platforms, and his Limehouse speech mentioned above,¹³ was typical of the oratory he employed in this campaign.

As the debate wore on, it became more and more apparent that the real issue involved was the constitutional relations between the two Houses of Parliament. There was no question about the Commons eventually approving the Budget, because of the overwhelming Liberal majority in that Chamber, but would the House of Lords carry out the threats that had appeared in the Unionist press and been spoken by

¹²H. of C., May 4, 1909 (5 H.C.Deb., 5 s.)

¹³Supra., p.98.

Unionist peers?

Early in October there still remained great uncertainty as to what the Lords would do. There was a small group of free trade Unionist peers who were definitely opposed to the rejection of the Budget. Lord Lytton, representing the viewpoint of this group, wrote to Lord Lansdowne on October 8th:

In these circumstances, a general election immediately following the rejection of the Budget would, beyond all doubt, be disastrous to the fortunes of the Unionist party. The Government would be returned with a sufficient majority to re-enact the Budget and to remain in office another five years. This would be bad enough, but it would be still worse if they obtained--as they must inevitably try to obtain--power to curtail the veto of the House of Lords. Their opportunity for mischief would then be unlimited.¹⁴

This was a shrewd political analysis and an accurate forecast of events to come, but Lord Lytton did not speak for the majority of Unionist peers. The leader of the Opposition in the House of Lords, Lord Lansdowne, had not yet made a final public pronouncement on his position, but he wrote to Lord Balfour of Burleigh early in October that:

Upon the whole, although, as you truly say, no decision can be regarded as final until the Bill actually comes up to the Lords, I am in favour of rejection, upon the broad ground that the Finance Bill is a new departure of the most dangerous kind, to which the House of Lords has no right to assent until it is sure that H.M.G. have the support of the country.¹⁵

King Edward VII was aware of the possibility that the Lords might reject the Finance Bill, and after consulting with Asquith, he invited Balfour and Lansdowne to Buckingham Palace on October 12th in hopes of arranging some sort of compromise. But as his biographer records:

¹⁴Lord Newton, Lord Lansdowne; A Biography (London: Macmillan Co., 1929), p.377.

¹⁵Ibid., p.378.

. . . here again the King's intervention had little effect. The political difficulty caused the King an anxiety and irritation which no matter of domestic policy had hitherto occasioned him. He found no comfort in the actions of any of the parties to the strife.¹⁶

The final crisis was reached shortly after this conference between the King and the leaders of the Opposition. On November 4th, after forty-two days of debate, the Budget was carried through its Third Reading in the Commons with a large majority. The Irish Nationalists abstained from the final vote to show their dissatisfaction with the heavy new tax on alcoholic beverages, but their abstention did not endanger final passage.

The Budget was now in the hands of the Lords, and on November 10th, Lord Lansdowne announced that he would move the rejection of the Budget on its Second Reading in the Lords. His argument for this action was that he did not feel the Lords should pass such a measure until the country at large had had an opportunity to express its opinion in a general election. Thus it was, that on November 30th, the Lords by an overwhelming vote of 350 to 75 rejected the Budget. The Prime Minister was quick to react to this rejection, and on December 2nd, he moved a resolution in the Commons:

That the action of the House of Lords in refusing to pass into law the financial provision made by this House for the Service of the year is a breach of the Constitution and a usurpation of the rights of the Commons. . . . we ask the House of Commons by this Resolution to-day, and at the earliest possible moment we shall ask the constituencies of the country, to declare that the organ, the voice of the free people of this country, is to be found in the elective representatives of the nation.¹⁷

The Resolution was easily carried in the Commons, and the following day Parliament was prorogued. On the 15th of December,

¹⁶ Lee, op. cit., p.668.

¹⁷ H. of C., December 2, 1909 (13 H.C.Deb., 5 s., pp.546 ff.)

the King dissolved Parliament, and the Liberal Party had to prepare itself for the forthcoming general election.

The election was to be fought primarily on the constitutionality of the Lord's actions in rejecting the Budget. However, Liberals also pointed to the long list of other legislation that the Lords had seen fit to reject during the four year life of the Liberal Government. It appeared to most Liberals that the House of Lords had adopted a principle of government that completely negated the concept of a representative, democratic State.

As Sir Ivor Jennings puts it:

. . . . the House of Lords have adopted the principle that its power was to be exercised only so as to secure that the House of Commons was supported by the electorate. . . . But the history of its action from 1892 to 1895, and from 1906 to 1910, and its inaction when a Conservative Government was in power, can be brought into the principle only if it is assumed that everything which a Conservative Government proposed had the approval of the electorate and that very little which a Liberal Government proposed had that approval. The practical working of the principle, in other words, assumed that the electorate was always Conservative except at some general elections.¹⁸

This was an interpretation of the British Constitution which Liberals could not accept, and therefore, the Radicals were pleased with the rejection of the Budget, for it afforded them the opportunity to settle the controversy with the House of Lords, once and for all. The Lords had been baited and trapped by Lloyd George and his Radical supporters. The bills which they had rejected prior to the Budget, (Education, Licensing, Land Reform, Plural Voting, etc.), were of a character that failed to create wide public interest, and the Liberal Party was not willing to risk their large majority in the Commons on such uncertain causes.

The rejection of the Budget, however, was an issue that

¹⁸ Sir Ivor Jennings, Cabinet Government (2nd ed.; Cambridge: The University Press, 1951), pp.396-397.

created wide public interest, and which the Liberal leadership felt the majority of the electorate would stand behind their attack on the Lords. If the Liberals were correct in their assumption that the electors would return them to office once again, on the basis of the Lords' veto of the Budget, the question still remained as to exactly how they would deal with the Lords. In December, 1909, the rumor became more persistent that if another Liberal Government was elected in the general election, it would ask King Edward to use his royal prerogative to create peers in order to secure a Liberal majority in the Lords. It would then be impossible for the Upper Chamber to block the proposed curtailment of its powers.

King Edward, desiring that there should be no misunderstanding in this matter, informed Asquith in the middle of December that he would not create such peers unless a Liberal Government proposed specific legislation to alter the powers of the Lords, and upon rejection of this legislation by that Chamber, a second general election would be held to secure the approval of the electorate.¹⁹ This meant, of course, that even if the Liberal Party was successful at the polls in the January (1910) election, they would have to go to the country once again, if the Lords refused to agree to a curtailment of their powers.

It was highly unlikely that the Lords would voluntarily consent to the restriction of their legislative power, so the Liberal Party would undoubtedly have to run the risks of two general elections within a short space of time. How they fared in these elections will be discussed in the following chapter.

¹⁹Spender and Asquith, op. cit., pp.261-262.

Labor Legislation of 1909 and the Osborne Judgement

Late in 1905, a Royal Commission was established to consider the problem of rising unemployment in Great Britain due to the trade depression. Finally, after more than three years of investigation, the Commission submitted its report in February 1909. Ramsay MacDonald, later to become the first Labour Prime Minister of Great Britain, commenting on the Report in the Commons on May 19th, said:

The Government year after year, ever since it came into office, has been dangling this Report before us, and telling us that as soon as it was presented we were to have legislation This Session is already mortgaged and I am afraid what has to be done will be put off till next year In practically every respect the Minority Report supports the proposals that we have been making from time to time. In no sense and in no important point is the Report new to us.²⁰

MacDonald was quite accurate when he noted that the Labour Party had introduced bills during the past few sessions that closely paralleled the Report of the Royal Commission. However, the session was not as "mortgaged" as he thought, for Winston Churchill announced in the course of the same debate that he intended to introduce a bill the following day to establish a national system of Labour Exchanges. And this legislation was to be just the first step in a larger scheme of unemployment insurance. Said the President of the Board of Trade:

. . . . that the Government are very anxious to associate with their scheme of labour exchanges a system of unemployment insurance. If labour exchanges depend for their effective initiation or inauguration upon unemployment insurance being associated with them, it is equally true to say that no scheme of unemployment insurance can be worked except in conjunction with some apparatus for finding work and testing willingness to work, like labour exchanges.²¹

Churchill made it clear that once the Labour Exchanges had

²⁰H. of C., May 19, 1909 (5 H.C. Deb., 5 s., p.494.)

²¹H. of C., May 19, 1909 (Ibid., pp.506-507.)

been established, the Government would then move ahead with its unemployment insurance scheme. It is interesting to note that Great Britain at this time was enacting social insurance schemes that had been introduced by Bismarck in Germany some two decades before. Compulsory health insurance had been introduced in Germany in 1883, followed by Workmen's Compensation laws in 1885. Disability and old age insurance followed these measures in 1891. A system of labor exchanges had also been established in Germany, and Winston Churchill was quite frank in admitting, to a large degree, the English system would be patterned after that of Germany.

The basic principle underlying the Labour Exchange Bill²² was the belief that if centralized facilities could be made available where the unemployed workers and prospective employers could meet, then labor mobility would be enhanced and unemployment decreased. This type of facility was particularly desirable in areas where a great deal of seasonal work was carried on. The Labour Exchange Act, as finally adopted by Parliament, provided for the establishment of some 225 labor exchanges throughout Great Britain, and these exchanges in turn were organized into ten districts. Each district was to have a central clearing house for information concerning the unemployed in that district, and at the apex of this system there was to be a central agency in London to coordinate the activities of the exchanges throughout the country.²³ A Labour Party attempt to make the use of these exchanges compulsory for

²²9 Edw. 7, Cap. 7: An Act to provide for the establishment of Labour Exchanges and for other Purposes Incidental thereto.

²³A discussion of the founding and workings of Labour Exchanges and Trade Boards can be found in: Lord Askwith, Industrial Problems and Disputes (London: John Murray, 1920), chaps. xxvii and xxviii.

employers was not acceptable to the Government.

Any political favor that the Liberals had hoped to gain amongst working class voters by this legislation was lost to a large extent because of its timing. By the time the Labour Exchanges began operations in January 1910, unemployment had dropped considerably from its 1908 peak. Although the labor exchanges would prove of great benefit to the workers in the long run, they had not been established when they were needed most. Not only had the timing been wrong for the Liberals to gain the greatest possible political benefit from the enactment of the bill, but the Labour Party could claim credit for having introduced a stronger bill one year earlier.²⁴ A Liberal candidate would have a difficult time convincing the voters of a working class constituency that this legislation was the brain-child of the Liberal Party. And he might be hard pressed to explain the reason for the delay in its passage.

Winston Churchill, who as President of the Board of Trade had guided the Labour Exchanges Bill through the Commons, also was responsible for the Trade Boards Act.²⁵ Explaining the principle of this bill to the Commons, he said in part:

The central principle of the Bill is the establishment of trade boards, who have a statutory duty to fix the minimum rate of wages. . . . We shall follow in their composition the principle of equal representation of employers and employed, with an element of impartial and enlightened officialism that is so widely seen in the social legislation of Germany. . . . They will be set up in trades, where at present organization has not been able to take root.²⁶

²⁴The so-called "Right to Work" bill. See: H. of C., March 13, 1908 (Parliamentary Debates, 4th Series, Vol. clxxxvii, pp. 10 ff.)

²⁵9 Edw. 7, Cap. 22: An Act to provide for the Establishment of Trade Boards for Certain Trades.

²⁶H. of C., April 28, 1909 (4 H.C. Deb., 5 s., p. 390.)

The trades which were to come under the regulation of the new trade boards were limited to chain-making; machine lace-making; ready-made and wholesale tailoring; and the paper-box trade. All of these trades, except chain-making, were largely carried on with women laborers, and of these original trades covered by the Trade Boards Act, some 70% of the workers involved were women. Conditions of work, hours, and wages, were appalling in these trades,²⁷ and bills to remedy these conditions had been introduced almost annually from 1900 on, but without official Government support in the Commons. The passage of this act marked the first time in modern Parliamentary history that the government of Great Britain had accepted the principle of established legal minimum wages. Again, as was the case with the Labour Exchanges Bill, the Labourites in the Commons accused the Government of being too timid in their approach to a pressing social problem. Undoubtedly there were a number of trades that could have been included under the coverage of this act, (the coverage of the act was to be increasingly extended within the next few years), and the failure to broaden the scope of the legislation from the outset, helped to strengthen the growing belief amongst workers and trade unionists that the Liberals were not the whole-hearted reformers they claimed to be.

A third measure passed during this session, which was aimed at improving the living conditions for the working classes, was the Housing and Town Planning Act.²⁸ It was hoped that this act would

²⁷ See Report of the Select Committee on Home Work, 1908.

²⁸ 9 Edw. 7, Cap. 44: An Act to amend the Law relating to the Housing of the Working classes, to provide for the making of Town Planning Schemes, and to make further provision with respect to the appointment and duties of County Medical Officers of Health and to provide for the establishment of Public Health and Housing Committees of County Councils.

solve the serious problem of inadequate housing for workers through a program of slum clearance and new construction. The Local Government Board, and local units of government, were to be given much greater power to acquire land and condemn slum dwellings. New homes were to be built by local authorities, with financial assistance from the national government, and there was to be a systematic planning of towns.

The act, however, was so complicated, and its machinery so cumbersome, that it was all but a complete failure.

It made town planning schemes nominally possible, but planted such a hedge of deterrent regulations round them, that in ten years less than 10,000 acres were brought under planning This was almost a major disaster for England. For if, as would otherwise have happened, a real national start had been made with town planning in 1909 or 1910. . . . the whole development would have proceeded on planned instead of planless lines. England to-day would be a different and a better country.²⁹

The failure of this act, and in general, the failure of the Local Government Board to produce any significant reforms in this period, could be attributed to a large degree to John Burns. He lacked the initiative and ability possessed by Lloyd George and Winston Churchill, and as a result, the Local Government Board from 1906 to 1914 produced little in the way of progressive legislative proposals. A Royal Commission appointed in 1905 to study the working of the Poor Laws spent nearly four years on this task, and when their report was presented in 1909, the Local Government Board, under Burns leadership, did nothing to implement the recommended changes. This was a far cry from the John Burns who had been a leader in the London dock strikes of 1889. His failure at the Local

²⁹R. C. K. Ensor, England, 1870-1914 (Oxford: The Clarendon Press, 1936), p.518.

Government Board was perhaps the worst disappointment of the Liberal administration during the years 1906 to 1914. "Not to worry Ministers in their Departments was his (Asquith's) general rule, and he resisted much pressure to disturb the 'crusted Conservatism' which was alleged against John Burns in his conduct of the Local Government Board."³⁰ The results of Asquith's general rule were unfortunate in this case, both for the Liberal Party and the nation.

The legislative session of 1909 had been dominated by the Budget and its rejection by the House of Lords. But another event of this year was to prove of lasting importance to the trade unions, the Labour Party and the Liberal Party. This was the Osborne case.³¹ Osborne, a member of the Amalgamated Society of Railway Servants, sought an injunction against his own union to prevent it from using its funds for the support of political candidates of the Labour Party, or the payment of Labour M.P.'s from union funds. The case was first tried in July 1908, but the final appeal did not reach the Law Lords in the House of Lords until December 1909. Osborne was sustained in his contention that a trade union could not use its funds for political ends, which meant, of course, that the primary and essential source of Labour Party funds was swept away.

Immediately following this decision, the Labour Party was forced to fight the General Election of January 1910, and although it was not foreseen at the time, they were going to be forced to fight a second election during this same year, under the adverse conditions of the Osborne decision. The bitterness engendered amongst trade unionists, as a result of this legal handicap, can be

³⁰ Spender and Asquith, op. cit., p.201.

³¹ Osborne v. The Amalgamated Society of Railway Servants of England, Ireland and Wales. A.C. 87.

seen in a resolution adopted at the annual conference of the Labour Party in 1912.

. . . . until its reversal (Osborne Judgement) we advise all Trade Unions affiliated to our Party to defy the law, and in this way prove that we are determined to use our funds according to the decision of the majority of our members.³²

The only constitutional remedy available to the trade unions was the passage of an act in Parliament reversing the court's decision, as had been the method followed in the Taff Vale case of 1901. Then, it had taken the unions five years before the Trade Disputes Act was enacted by Parliament, and in the process of securing this relief from a legal restriction, large numbers of trade unions had affiliated themselves with the newly created Labour Party. What course would be followed in this new crisis, and what would be the consequences for those involved?

Liberal politicians did not respond to the demands of the trade unionists for relief, as they had done in 1906 by passing the Trade Disputes Act. Though the case was originally heard in 1908, the Liberals were not to enact repealing legislation until 1913, in the form of the Trade Union Act of that year.³³ This delay was to be one of the worst blunders made by the Liberal Government in the period under study, for as the Webbs point out:

The refusal of the Liberal Government for four whole years to remedy this gross miscarriage of justice though conscious that it was not permanently defensible; and the unconcealed desire of the Liberal Party politicians to put the Labour Party out of action as an independent political force, swung over to its side the great bulk of active Trade Unionists, including many, especially in Lancashire, who had hitherto counted to the

³²1912 Labour Annual Conference Report.

³³For details of this act see: 2 & 3 Geo. 5, Cap. 30: An Act to amend the Law with respect to the objects and powers of Trade Unions.

Conservative Party.³⁴

This action by the trade unions meant the end of "Lib-Lab"-ism. As will be seen in the next chapter, a few "Lib-Labs" were returned to Parliament in the general elections of 1910, but their numbers became relatively insignificant. In 1908, the Miner's Federation had approached the Labour Party with regard to affiliation, and in 1909, this union which had in the past sent most of the "Lib-Labs" to the Commons, joined forces with that party. Through this affiliation, the Labour Party secured its greatest increase in membership for any single year, with the exception of the great influx of members in 1902-1903 following the Taff Vale decision.

Failure to act effectively and speedily upon outstanding grievances of the trade unions, particularly in the Osborne case, and the unemployment crisis of 1908, had cost the Liberals the support of their largest single ally in the trade union movement, the Miner's Federation.³⁵ Though this Liberal loss, and Labour gain, did not ensure the future prosperity of that latter party, it did indicate that the Liberal program had failed to halt the movement of trade unionists into the Labour Party. This movement was not completed as yet, and trade union leaders continued to have their doubts about independent political action, but would the Liberals do anything to curb their loss of support in the working classes? At the end of 1909, it did not seem likely that the Liberals could do much in the way of social reform until they had settled the controversy with the House of Lords over the Budget. And to accomplish

³⁴Sidney and Beatrice Webb, The History of Trade Unionism (rev. ed.; London: Longmans, Green & Co., 1920), pp.686-687.

³⁵See G. D. H. Cole, A Short History of the British Working Class Movement 1789-1927 (London: G. Allen & Unwin Ltd., 1927), Vol. III, pp. 55 ff.

this, they first had to win two general elections. Social reform must wait. Would the working classes wait on the Liberals?

CHAPTER VI

CONSTITUTIONAL CRISIS AND TWO GENERAL ELECTIONS

The General Election of January 1910

When the polling of the British electorate was completed in the latter part of January 1910, the results were as follows:- Liberals, 275 seats; Conservatives, 273; Irish Nationalists, 82; and Labour, 40 seats.¹ The Liberals could now form a Government only with the support of the Irish Nationalists. Once again, the "celtic fringe" held the fate of the Liberal Government in its hands, and if the Liberals desired to remain in office, they would undoubtedly have to do something about Irish Home Rule.

With the support of the Irish Nationalists and Labour Party, the Liberals would have a majority of 124 in the new House of Commons. This contrasted with a purely Liberal majority of 129 over all other parties combined in the Commons after the 1906 election. While the Conservative Party had gained 116 more seats than it had held after the 1906 election, Liberals had lost 107 seats and the Labour Party seven. The gain shown by the Labour Party was due to the fact that seventeen members of the Miner's Federation, who had been returned in 1906 as "Lib-Labs", were returned as Labour members in January 1910 without Liberal opposition.

Liberal strength in Scotland and Wales remained practically the same as it had been in 1906. Sixty-one of the 72 Scottish constituencies were won by Liberal and Labour candidates (gain of one seat), while 28 of the 30 seats in Wales were won by the same

¹Detailed results of the General Election of January 1910 are to be found in The Liberal Magazine, XVIII (February, 1910), pp.20 ff.

parties.² In Ireland, only one Liberal won a seat as compared with two Liberal victories in 1906.

It was in the counties and boroughs of England that the Liberals suffered the great loss of seats in this election. No fewer than 101 Liberals lost their seats in English counties and boroughs, while 4 "Lib-Labs" and 7 Labourites also lost their seats from these constituencies. With the ebbing of the Free Trade issue, the Liberals expected to lose a number of the county constituencies which had gone Liberal in 1906 because of the support given to Liberals by Conservative "Free Traders." But the Liberals not only lost 63 county seats, but 49 borough constituencies as well, including 14 in London. This was a strong indication that the Liberals had failed to maintain the support of the electorate in these urban areas on the basis of their program of social reform. Out of 5.1 million votes cast in England, the Liberals were only able to poll 50,000 more popular votes than the Conservative Party. These figures do not indicate substantial approbation of the Liberal Government's four years in office.

The results of the election showed that "Lib-Lab"-ism was all but dead. Only seven members of the new House of Commons sat as "Lib-Labs", which contrasted sharply with the 29 "Lib-Labs" who had been elected in 1906. Withdrawal of the Miner's Federation support of this Liberal-Labour electoral policy explains the sharp drop in "Lib-Lab" representation, and it was never again to reach the heights it had attained in 1906. However, Liberal cooperation with Labour candidates had not yet ceased entirely. In fact, almost all

²Five seats in Wales, and two in Scotland were won by Labour Party candidates.

of the Labour candidates could thank the Liberal Party for their success in this general election. Of the 40 victorious Labourites, including the 17 members of the Miner's Federation, not a single Liberal opposed them, and they had only to fight a straight-forward contest with a Conservative opponent. But in 32 constituencies where the Labour candidate had to face both a Liberal and Conservative opponent, every Labour candidate was defeated! Liberals won 23 of these three-cornered contests. All eleven Socialist candidates were defeated in three-cornered contests, with the Liberals winning 10 of these seats.

In twelve constituencies where Labourites were unopposed by Liberals, their margin of victory over their Conservative opponents was less than 2,000 votes, and in six instances the margin of victory was by less than 1,000 votes. Had the Liberal Party chosen to contest all those constituencies in which Labour candidates appeared, Labour representation in the Commons would have been undoubtedly reduced to a bare minimum.

It must be remembered that at this time there seemed to be hardly even the remotest prospect that Labour would form a government in the foreseeable future. The spectacular initial gains of 1906 had been succeeded by the disappointing results of the two elections of 1910; the party won not a single by-election between December 1910 and August 1914; it suffered, indeed, several losses. Even to the far-seeing MacDonald it must have been doubtful whether the office of Chairman of the Parliamentary Labour Party opened up any very promising avenues to the Premiership.³

How much more disappointing the election results of January 1910 would have been for the Labour Party if they had not had Liberal cooperation ! Left with a handful of M.P.'s, and crippled by the effects of the Osborne judgement, the Labour Party in all

³ McKenzie, op. cit., p.304.

likelihood would have been unable to recover from such a blow. Had the Liberals desired to crush the infant Labour Party, the two general elections of 1910 offered them the most propitious opportunity. In both elections, the Liberals did not choose to seize this golden opportunity. Why?

"The Liberals were too much infuriated with the Lords to forgo the chance that now offered of getting even with them."⁴ Because of this overwhelming desire to settle their long standing grievance against the Lords, Liberals were prepared to assist Labour candidates so that a minimum of seats would be lost in three-cornered contests. Everything possible should be done to keep the Liberal and Labour vote from being split, for every single seat would be needed for the final assault on the House of Lords. This policy of active cooperation with the Labour Party in the general election revealed the inconsistency of Liberal approach to this new party on its Left. First they antagonized the trade unionists by procrastinating on the reversal of the Osborne Judgement, and then they turn around and insure the continued life of the Parliamentary Labour Party by not opposing their candidates in the election.

Despite the political warning signals that were flying, the Liberal leadership could not take their eyes off the Budget and the House of Lords. By the end of 1909, trade unions with a membership of one and a half million workers had affiliated with the Labour Party, and this movement had been punctuated by the recent affiliation of the Miner's Federation. Had not the time arrived for some sort of decisive action on the part of the Liberal Party to cope with

⁴Esme Wingfield-Stratford, The Victorian Aftermath 1901-1914 (London: George Routledge & Sons Ltd., 1933), p.265.

this situation? By not taking action, the Liberals ran the risk of having to depend upon two independent political groups within the Commons, i.e., the Irish Nationalists and Labour Party, to keep them in office. If the Liberals had lost only 43 additional seats to the Conservatives in the election of January 1910, they would have then had to depend on both of the aforementioned parties to keep them in office. Under such circumstances, the Liberals would not have been able to call their souls their own.

It is evident that the Liberal leaders did not recognize in time the significance of the movement within the working classes away from the Liberal Party. While organization within the trade unions was moving rapidly forward, the Liberal Government had occupied itself with a policy of "filling up the cup" of the Lords, i.e., introducing legislation which they knew the Lords would reject, thus hoping to arouse the country against the members of that chamber so that the Liberals could eventually destroy their veto power. This legislation, (Licensing bill, Plural voting bill, Education bill), could not be deemed to have wide national support, and ironically enough, the Budget of 1909 which became the Liberal's trump card, would have been defeated in the newly elected Commons if all parties concerned had voted solely on their attitude toward that fiscal measure. As noted above,⁵ the Irish did not like certain portions of the Budget, and had not Home Rule been their primary objective, the Budget would have been rejected.

The manner in which the Liberals provoked the House of Lords displayed a lack of political foresight. Had the Lords rejected some broad and sweeping piece of social legislation, the Liberals

⁵Supra., p.73.

might then have appealed to the country on the basis of a great "reforming" crusade. The Budget of 1909 provided no great revolutionary cause, as the results of the election reveal. And it must be remembered that the Liberal case against the Lords was further weakened by the fact that the Lords had passed most of the Liberal legislation dealing with the working classes, i.e., the Trade Disputes Act, Old Age Pensions, Coal Mines (Eight Hours) bill, Labour Exchanges and Trade Boards. Thus, the Liberals appeared to be engaged in a long drawn out dispute that, if the Liberals were victorious, would end with the passage of legislation that was not concerned with the basic economic needs of the workers. Home Rule for Ireland; Education bills; the Plural Vote; and Disestablishment of the Church in Wales; did not put more bread and butter on the dinner table.

When it came time for the final showdown with the House of Lords, the Liberal Party found itself with a cause that did not attract the overwhelming support of the workers and, at the same time, left the Liberals little choice but to support Labour candidates for fear they might lose the battle with the Lords. The Liberals, in a sense, had led themselves up the garden path with respect to their policy, or lack of policy towards the Labour movement. They had allowed it to develop a dangerous degree of independence, and when the opportunity arose to curb this tendency, the Liberals were trapped in a position where they dared not act. Asquith, as well as the majority of his Cabinet, contrasted sharply, in their attitude and insight, when compared with Gladstone on the problems of the working classes.

As long as Gladstone was active, the socialist efforts met with little success. Gladstone, on whose mind the social criti-

cism of the early 'forties had left an indelible impression, never lost sight of organized Labour, and whenever he saw it moving towards class warfare and socialism he spared no effort to lead it back to peaceful waters. ⁶He was the most potent personal force of Liberal Labourism.

This was not the character of Asquith. Lloyd George perhaps came closest to Gladstone in this respect, but then he was not head of his party at this time, nor could he carry it alone. The lack of strong, imaginative leadership was soon to be demonstrated to an even greater extent during the next four years of mounting crisis in the British Isles.

With the election of January 1910 over, Asquith and his Cabinet had to decide on what their future course should be with respect to the Budget of 1909 and the House of Lords. Their problems were now further complicated by the fact they now had to depend on the Irish Nationalists for their majority in the Commons. If the years 1906-1910 had been frustrating for the Liberal Party, they would soon be looked upon as happy days compared with the years 1910-1914.

The Liberal Dilemma

The political position of the new Liberal Government was confused and precarious during February and early March 1910. The situation, as it then existed, is well summarized by Sir Sidney Lee.

Asquith was indeed in a 'very tight place.' . . . it was now evident that the attitude of the 82 Irish Nationalist members to the budget was cold and critical, if not actually hostile, and there was a good deal of anxiety, if not of mistrust, amongst the rank and file of the Liberal party as to the plans and intentions of the government.⁷

⁶Max Beer, A History of British Socialism (London: G. Bell & Sons, Ltd., 1920), Vol.II, p.197.

⁷Lee, op.cit., p.698.

The Nationalists lost no time in exerting pressure upon Asquith and his cabinet, since, as all parties knew, they held the fate of the Liberal Government in their hands. They had voted against the 1909 Budget on its Second Reading the previous year, because of their strong objection to the increased duty on spirits, and they had abstained from voting on the Third Reading. Now they were in a position to extract concessions from the Liberal Party, in return for their votes which would be needed to pass the Budget. And what did the Irish Nationalists want most of all? Removal of the Lords' veto power so the road could be cleared for a Home Rule bill.

A. J. Balfour, in reply to the King's Speech, analyzed the Irish position exactly when he said:

They abstained, and presumable will abstain again, from opposing a Budget of which they disapprove, because they think the interests of Ireland in connection with Home Rule overrides the interests of Ireland in connection with finance; and they think they are more likely to get Home Rule from a Government which can only be kept in office if a Budget of which the Irish disapprove is passed.⁸

But it was not Balfour's remarks that stirred the Commons on this first day of the debate on the King's Speech. The Prime Minister, speaking immediately after Balfour, threw a great many of the Government's supporters into a state of consternation by his remarks. It had been assumed by most Liberals, and all of the Irish Nationalists, that Asquith had secured a guarantee from King Edward VII that the Royal Prerogative would be used to create Peers, if the House of Lords refused to accept a restriction of their legislative powers. But, as noted in the last chapter, Asquith knew before the general election that the King insisted upon two general elections before he

⁸H. of C., February 21, 1910 (14 H.C.Deb., 5 s., p.45.)

would consent to such a use of the royal prerogative.

A portion of Asquith's speech at the Albert Hall on December 10th, 1909, had been interpreted by Liberals and Irish Nationalists alike, to mean that he had such a guarantee. Thus, when Asquith rose in the Commons on February 21st, 1910, and said, "I tell the House quite frankly that I have received no such guarantee, and that I have asked for no such guarantee,"⁹ the Government's supporters were stunned. John Redmond, leader of the largest group of Irish Nationalists, rose next, and confirmed Balfour's analysis of the Irish position. Home Rule was his sole purpose for sitting in the Commons, and now it appeared that the Government was going to push through the Budget before anything would be done to deal with the House of Lords. Redmond made it clear that the Irish would have none of the Budget, unless the Lords were taken care of first.

This then was the Liberal dilemma. If the Irish did not support the Budget, the Liberals would be forced out of office. Asquith was also under pressure from Radicals within his own party to settle the dispute with the House of Lords before repassing the Budget. And the issue was further complicated by the fact that a number of ministers felt that any measure restricting the veto power of the Lords should also be accompanied by a reconstitution of the membership of the Upper Chamber.

These unfortunate circumstances necessarily led to procrastination on the part of the Prime Minister, and the Opposition took every opportunity to embarrass him. For instance, on the 3rd of March, the following question was put to the Prime Minister:

⁹Ibid., p.55.

Viscount Helmsley: Are we to understand that if the Resolutions sent up from this House fail to pass in another place, the circumstances contemplated by the Prime Minister will have arisen?

The Prime Minister: We had better wait and see.¹⁰

The Prime Minister was forced to use this expression, "we had better wait and see" on a number of occasions, in reply to similar questions, during these trying weeks, and this expression was to be used later in the First World War to attack Asquith's prosecution of that war.¹¹ This period of waiting continued until March 29th, when Asquith finally introduced the Government's resolutions concerning the relations between the two Houses of Parliament. His intention was to pass these three Resolutions through the Commons, and then embody them in a Parliament Bill. After this Parliament Bill had passed its First Reading, the Government would then proceed with the passage of the 1909-1910 Budget.

In summary, the three Resolutions introduced by Asquith on March 29th were as follows:-

1. The House of Lords was to be deprived of its power to reject or amend any money bill. This was to include all bills concerning the taxing, borrowing or expending of public funds, and the Speaker of the House of Commons was to decide whether or not a bill was a Money Bill.

2. The House of Commons was to have the power to pass bills, other than money bills, over the Lord's veto, provided such bills were passed in three successive sessions and at least two years had elapsed between the first and third passage of such a bill.

¹⁰H. of C., March 3, 1910 (Ibid., p.972.)

¹¹For a political cartoon dealing with this incident see David Lloyd George, War Memoirs, Vol.I (abridged; London: Odhams Press Ltd., 1938), p.xx.

3. The life of any Parliament was to be reduced from seven to five years.

These Resolutions were quite similar to the proposal made by Sir Henry Campbell-Bannerman on June 24th, 1907, when he moved a resolution in the Commons after the Lords had rejected several of the Government's major bills. At that time, however, there had been no distinction made between money bills and other legislation.

The debate on the Resolutions introduced by the Prime Minister raged from March 29th to April 14th. On that latter date, the House in successive divisions passed all of the resolutions, and immediately after their passage, the Parliament Bill was read for the first time. Following this First Reading, the Prime Minister made the Government's position on the bill quite clear when he said:

If the Lords fail to accept our policy, or decline to consider it as it is formally presented to the House, we shall feel it our duty immediately to tender advice to the Crown as to the steps which will have to be taken if that policy is to receive statutory effect in this Parliament. . . . Let me add this, that in no case will we recommend a dissolution except under such conditions as will secure that in the new Parliament the judgment of the people as expressed at the elections will be carried into law.¹²

It could be taken from the latter part of this statement, that Asquith was now prepared to ask the King to create Peers, if the Liberals were forced to fight another general election over the Parliament Bill.

Having introduced the Parliament Bill, the Government next turned to the passage of the 1909-1910 Budget. Despite the Irish objections to the increased duties on liquor, the Budget was re-introduced on April 20th with no major alterations, and when the final vote was taken on the 26th of April, the majority of Irish

¹²H. of C., April 14, 1910 (16 H.C.Deb., 5 s., p.1548.)

Nationalists voted for the Budget. The House of Lords approved the Budget without a division on April 28th, giving the bill its First, Second and Third Readings all on the same day. Lord Lansdowne, who was now willing to accept the Budget, vigorously attacked the Government's relations with the Irish Nationalists, saying:

I am quite willing to assume that there was no bargain. If it was not a bargain it was a capitulation--a capitulation at the bidding of a faction to whom you have promised, or to whom it has been intimated, that you are ready to overturn the Constitution by unconstitutional means, without having in your minds the smallest idea of that which you intend to put in its place.¹³

The unconstitutional means that Lansdowne spoke of, or at least what he considered to be unconstitutional, was the threat to create enough peers to push through the Parliament Bill. Lord Lansdowne, although never a whole-hearted supporter of schemes to reform the House of Lords, was now to argue that no change should be made affecting the powers of the Upper Chamber, unless simultaneous consideration was given to the problem of its composition. To appreciate the tactical maneuvering that was to occur in 1910, it is necessary to trace briefly the more recent attempts of the House of Lords to reform itself.

Attempts of Self Reform by the House of Lords

On several occasions, prior to the formation of the Liberal Government in 1906, there had been suggested reforms of the House of Lords, in order to make that chamber a more democratic and representative body. But the most serious attempts at reform, even though they were half-hearted, came in 1907 and 1908. In the former year, Lord Newton introduced a bill in the Lords that would have reduced

¹³H. of L., April 28, 1910 (5 H.L.Deb., 5 s., p.791.)

the number of hereditary peers and given a greater equality of representation to the major political parties and minority groups. The bill failed to pass as might be expected, but it was decided to set up a Select Committee, headed by Lord Rosebery, to consider the problem. This committee sat for over a year, and finally in December 1908, it submitted a report that was not substantially different in content from Lord Newton's bill. No further action was taken on this report, and there the matter rested until the Parliamentary session of 1910. With the threat of the Parliament Bill hanging over their heads, the Lords once more made a stab at finding some common ground of agreement upon which the House of Lords could be reformed.

Lord Rosebery, who twenty-two years before had introduced a resolution calling for reform of the Upper Chamber, once again led the way by introducing three resolutions on March 14th, 1910. They were as follows:

1. That a strong and efficient Second Chamber is not merely an integral part of the British Constitution, but is necessary to the well-being of the State and to the balance of Parliament.
2. That such a Chamber can best be obtained by the reform and reconstitution of the House of Lords.
3. That a necessary preliminary of such reform and reconstitution is the acceptance of the principle that the possession of a Peerage should no longer of itself give the right to sit and vote in the House of Lords.¹⁴

All three of these resolutions received the approval of the House of Lords within eight days, and only the third resolution came to a vote, when seventeen die-hards insisted on voting against the resolution. But this action on the part of the Lords was like "closing the barn doors after the horse had been stolen." The Liberal Cabinet was determined that their plans to curtail the Lords'

¹⁴H. of L., March 14, 1910 (5 H.L.Deb., 5 s., pp.140-141.)

powers, through the Parliament Bill, should not become tangled up in the issue of the composition of the House of Lords.

Thus it was, that when the Commons adjourned for its spring recess late in April, the stage was set for the final showdown with the House of Lords. The Budget had been passed and the Parliament Bill given its First Reading. All that remained to be done was the passage of the bill through its Second and Third Readings, and then its fate would be in the hands of the Lords. If they rejected it, the Prime Minister would advise the King to dissolve Parliament, and it would then depend upon the electorate as to what the fate of the Parliament Bill was to be.

This state of affairs was completely disrupted when, on May 6th, King Edward VII died suddenly. Asquith, who at the time of the King's death was vacationing abroad, wrote of his reaction to this startling news:

I felt bewildered and indeed stunned. At a most anxious moment in the fortunes of the State, we had lost, without warning or preparation, the Sovereign whose ripe experience, trained sagacity, equitable judgement, and unvarying consideration, counted for so much. . . . His successor, with all his fine and engaging qualities, was without political experience. We were nearing the verge of a crisis almost without example in our constitutional history. What was the right thing to do?¹⁵

Under these circumstances, Asquith and his Cabinet decided that the "right thing to do" was to attempt to reach an agreement with the Opposition leaders by way of a conference. From June until early in November, the leaders of both major political parties were to be preoccupied in the discussions of this conference.

¹⁵H. H. Asquith, Fifty Years of Parliament, Vol. I, (London: Cassell & Co., Ltd., 1926), pp. 86 ff.

The Constitutional Conference of 1910

The Government was represented at these conferences by the Prime Minister, Lloyd George, Augustine Birrell and Lord Crewe, while the Opposition leaders present were A. J. Balfour, Austen Chamberlain, Lord Lansdowne and Lord Cawdor. The conferees, holding intermittent sessions for a period of five months, agreed at the outset to discuss all aspects of this problem, including the composition of the House of Lords. What in reality this conference was attempting to do, was to give Great Britain a written Constitution, by giving the powers and relationships between the two Houses of Parliament a statutory basis.

Lord Lansdowne fully appreciated the difficulty of the task which the conference set out to accomplish.

The fact is that the difficulty of forming a complete catalogue of constitutional questions, in a country without a written Constitution, is enormous, and, for that reason, analogies taken from the Constitutions of other countries are not really helpful. I therefore disbelieve in the possibility of setting up in this country a complete arrangement on the Continental model for safeguarding us from 'organic' changes, and the attempt to set up such safeguards would fetter Parliament in a manner which it would probably resent.¹⁶

Although this pessimistic attitude prevailed generally amongst the Unionist members of the conference, there were some points upon which some agreement was possible. Both sides were able to agree that Money Bills should not be subject to the Lords' veto, but the Conservatives insisted that the definition of Money Bills be severely restricted. The real stumbling block, however, was the further insistence of the Conservatives that there should be an additional dichotomy of legislation, other than Money Bills, into

¹⁶Lord Newton, Lord Lansdowne; A Biography (London: Macmillan & Co., Ltd., 1929), p.399.

"ordinary" and "constitutional" categories. The Conservative leaders wanted such a dichotomy so that such "constitutional" changes as Home Rule would receive special treatment. A. J. Balfour proposed that if such a measure was twice rejected by the House of Lords, it would then be decided by a plebiscite.

Such a scheme was unacceptable to the Liberals, for the adoption of such a procedure would mean a long delay, perhaps an indefinite delay, in securing Home Rule for Ireland. The majority of the rank and file in the Liberal Party would not accept a compromise of this character, and the Irish Nationalists would have undoubtedly brought the Government down if it agreed to this proposal. The most that Asquith could offer in the way of a compromise was that if a Home Rule Bill was rejected by the Lords, there should be a General Election, and if a Liberal Government was returned, the bill would then be treated as "ordinary" legislation.

The conference had agreed in principle that disputes over "ordinary" legislation should be settled by a joint sitting of the Commons and Lords, after a bill had failed to pass in two successive sessions, therefore Asquith's compromise proposal closely paralleled the provisions of the Parliament Bill. The joint sessions of the two Houses was a new feature, but no bill could be rejected more than three times by the House of Lords. Balfour and his colleagues, however, could not accept this attempted compromise of Asquith.

The conference foundered on the "constitutional" issue, and it was apparent to all concerned that Home Rule for Ireland was at the bottom of all these negotiations. In his Memories and Reflections, Asquith writes:

The conference held its last sitting on November 10, by which time it had unfortunately become clear to all its members

that there was no hope that it could arrive at an agreed settlement. . . . the conditions were not propitious. Party feeling was running very high, and the ardent spirits among the rank and file on both sides viewed with a certain amount of restlessness, if not of suspicion, what they feared might turn out to be a process of bargaining and compromise carried on behind the closed doors of a camarilla.¹⁷

With the breakdown of the conference, there was only one course left open for the Prime Minister to follow. He had to ask the King to dissolve Parliament, making sure beforehand, that King George V would use his Royal Prerogative to create peers if a new Liberal Government required them to overcome the Lords' resistance to the Parliament Bill. Asquith received the King's assent to this plan on November 16th, after he had agreed to the King's wish that the Parliament Bill should be submitted to the House of Lords before Parliament was prorogued on November 28th.

Accordingly, the Parliament Bill was given its First Reading on the 16th of November in the House of Lords, and on the 21st, Lord Crewe moved the Second Reading of the bill for the Government. It was at this point that Lord Lansdowne intervened to propose alternative resolutions for the Opposition. His resolutions were nothing more than a restatement of the position taken by the Conservatives in the Constitutional Conferences, including the use of the referendum or plebiscite to decide serious constitutional issues. Lord Crewe, for the Government, pointed out the dangers and difficulties of the referendum.

The real difficulty of the Referendum, . . . is that many people will regard it, if it is to be treated as a subject of frequent or general resort, as something like the negation of our system of representative government. . . . It would be a grievous thing if members of the House of Commons were to feel

¹⁷H. H. Asquith, Memories and Reflections, 1852-1927, Vol. I (Boston: Little, Brown & Co., 1928), pp.237-238.

that it did not matter much what they did or in what form they legislated because the whole thing had got to go to the country in the form of Referendum.¹⁸

Such arguments as these fell on deaf ears, for Lord Lansdowne was determined to push his resolutions through so they might be used as campaign material for the Unionists in the forthcoming general election. The resolutions were agreed to on November 24th without a division, for the supporters of the Government in the House of Lords realized that a division of the House at this stage was a mere waste of time.

Having fulfilled the King's wish that the Parliament Bill should be debated in the Lords before the dissolution, the Houses of Parliament were prorogued on November 28th, and the political parties entered the second general election of 1910 commencing on December 2nd.

Other Legislation of 1910, and the December General Election

The King's Speech in February 1910 had made no mention of any legislation other than that relating to finance and the relations between the Commons and Lords. As a result, there was very little domestic legislation other than the Parliament Bill, and the passage of the Budgets for 1909-1910 and 1910-1911. Of other legislation, only one or two are worth noting, and even these measures were of a minor character. A Small Holdings bill was enacted to supplement the Small Holdings and Allotments Act of 1908. Tenants who were forced to move off lands acquired by local government councils under the 1908 act, were to receive compensation under this

¹⁸H. of L., November 23, 1910 (6 H.L. Deb., 5 s., pp. 855-856)

1910 statute for any financial losses they might suffer as the result of such eviction. The Mines Accidents (Rescue and Aid) Bill of this session empowered the Secretary of State for the Home Office to compel mine owners to provide adequate rescue machinery and trained personnel to cope with mine disasters. There was relatively little else in the way of important social legislation in this session.

Lloyd George presented his Budget Statement for 1910-1911 on June 30th, and there was nothing in it to startle the Commons as his Budget of the previous year had done. He did indicate, however, that in the following year, the Government hoped to be able to introduce their national scheme of insurance against unemployment and sickness. The Chancellor of the Exchequer announced that some 13 million workers would be covered for sickness and disability, and that 2½ million workers would be covered under the unemployment provisions of the act.

The cost of armaments was increasing rapidly, and the Army and Navy Estimates dominated the Budget for 1910-1911. The Navy Estimate for the next fiscal year was increased to 40 million pounds, and this coupled with an expenditure of 27 millions on the Army, accounted for nearly 41% of the expenditures for the forthcoming year. Said one Opposition member of this Budget:

What the Budget really proves conclusively is that the Free Trade system, when it is not wedded to Socialism, is absolutely bankrupt. The party opposite got into power on the cry of retrenchment, and ever since they have been piling up expenditures in all directions.¹⁹

The latter part of this statement was undoubtedly correct with respect to the first two Budgets of Lloyd George. Retrenchment

¹⁹H. of C., June 30, 1910 (18 H.C. Deb., 5 s., pp. 1207-1208.)

was impossible in the area of national defense after 1909 because the German armament program threatened English security. The only area in which the Liberal Government could have cut governmental expenditures, would have been in that of social reforms, such as Old Age Pensions. Such a solution to the rising costs of government was not acceptable to the Radicals, who had waited so long for the opportunity to carry out such reforms. Thus, the Chancellor of the Exchequer had no alternative but to find the revenue to cover the increased expenditures, and hope that in the not too distant future, the armaments race would subside.

The second General Election of 1910 began on December 2nd. When the results were in, the Liberals and Conservatives had exactly the same number of seats in the House of Commons, 272 apiece.²⁰ This represented a loss of three seats for the Liberals, and one for the Conservatives, while the Irish Nationalists and Labour Party each gained two seats apiece, having 84 and 42 seats respectively. Thus, all told, only four seats changed hands amongst the four parties between the January and December general elections.

There were some further interesting results to be gleaned from the returns of the December election. In 1910, approximately 7.7 million adult males were entitled to the franchise in Great Britain. In the January general election of this year, slightly more than 6.6 million votes were cast, but in December, only 6.2 million voters exercised their right to the franchise. This represents a decrease of 400,000 votes cast, and indicates that the electorate was tiring of the dispute between the two Houses of Parliament. In England proper, the Liberal majority of 51,000 popular

²⁰For the detailed results of the December 1910 General Election see The Liberal Magazine, XVIII (January, 1911), pp.664 ff.

votes gained in January was turned into a Conservative majority of 25,000 votes in December. Liberal majorities in Wales and Scotland were large enough to give the Liberal Party an overall majority of 150,000 popular votes, but this was a reduction of 136,000 over the Liberal majority in January. This could not be considered a resounding vote of confidence.

As in January, the Labour Party benefited from the benevolent attitude of the Liberal Party. Because of the financial difficulties created by the Osborne Judgement, only 62 Labour candidates were put into the field, with 42 of them winning seats. Of the 42 victors, three were completely unopposed, and the remaining 39 had only to face Conservative opponents. In 12 constituencies where the Labour candidate faced both a Liberal and Conservative opponent, every single Labourite was defeated, and in 11 of these 12 instances, the Liberal was victorious. Four Socialists were also defeated in three-cornered battles, and in each case a Liberal won. Once again, 17 of the Labour members returned were members of the Miner's Federation.

It is interesting to note that after this general election, the Liberal Party opposed all Labour and Socialist candidates in the by-elections from 1911 until the outbreak of the First World War in August 1914. The Labour Party fought 14 by-elections in this period and lost every single contest, with Liberals winning 8 of these seats and 6 going to the Conservatives because of the split Liberal-Labour vote. Six Socialists fought by-elections during this period and lost in every instance, with Liberals winning five of these seats and losing one because of the split vote. In two of these by-elections, Liberals opposed members of the Miner's Federation for

the first time, marking the final end of "Lib-Lab"-ism.

But the adoption of this aggressive policy by the Liberals towards Labour candidates came too late. In all of the aforementioned by-elections, only three seats which had actually been held by the Labour Party were lost, reducing that party to 39 M.P.'s at the outbreak of the war. The Liberals had missed their best opportunity to shatter Labour representation, i.e., in the general elections of 1910, and the opportunity was never to return again. Determined to crush the Lords, once and for all, it did not occur to the Liberals that at relatively little risk they might rid themselves of the problem of contending with a party on their Left. The Liberals had lost their sense of political balance.

Growth of Labour Unrest

While Parliament had been engaged in settling the Budget issue and preparing for the final act of the struggle between the Commons and the Lords, there was a stirring amongst the working classes. Philip Snowden, Labour M.P., and later to become the first Labour Chancellor of the Exchequer, summed up the situation as follows:

The year 1910 has been an exceedingly trying time for all who have had any responsibility for the management of trade unions and the direction of the Labour movement. . . . In 1910--a year of record trade--wages remained practically stationary. The cost of living increases, and the working people's desires rightly grow. But with stationary wages, the real condition of the workers is one of diminishing power to satisfy desires. . . . With the spread of education, with the display of wealth and luxury by the rich, it is certain that the workers will not be content. . . . If employers and politicians are so unwise as to ignore the demands of Labour, then what might be done by safe and constitutional methods will, by great suffering and loss, be accomplished by industrial strife. . . . The year upon which we have just entered (1911) is likely to be a momentous one for Labour. There is trouble brewing in a number of trades which

may break out into open hostilities. Labour has become aggressive, and is not merely opposing attack, but is determined upon advance.²¹

How prophetic these words were to be! The number of workers involved in strikes in 1910 was nearly double that for the previous year,²² and this was to be just the beginnings of the labour unrest. Table 1 below indicates the rapid rise in the number of persons involved in strikes during the next few years.

TABLE 1*

Years	No. of Disputes	Persons Affected	Duration in Days
Average of 1901-1910	463	221,058	4,258,859
1911	903	961,980	10,319,591
1912	821	1,437,032	40,346,400

*Source: George Herbert Perris, The Industrial History of Modern England (London: Kegan Paul, Trench, Trubner & Co. Ltd., 1914), p.510.

The rapid rise in the number of industrial disputes, between 1910 and 1914, demonstrates the failure of the Liberal Government in these years in coping with the economic problems of the working classes. As a result of this failure, the Liberal Party was destined to lose the support of this class in English society, and with the loss of this support the party was headed for political impotency. Therefore, before turning to the remaining portions of the Liberal's legislative program in these pre-World War I years, let us examine

²¹ Philip Snowden, An Autobiography (London: Ivor Nicholson & Watson, 1934).

²² For yearly figures on workers involved in strikes from 1904 to 1910 see Report on Strikes and Lock-Outs. Board of Trade (Labour Department), 1911, pp.2-14.

the causes underlying the industrial turmoil that was about to break out in full fury.

The primary cause, but not the sole cause, for the great outbreak of industrial strikes was the worker's dissatisfaction with the prevailing wage level. Strikes were also called for union recognition, shorter hours or improved working conditions, but basically low wages provided the background for most of the disputes. Said Lloyd George in the House of Commons:

A man who enjoys an income of over 3 pounds a week need not stint himself and his family of reasonable food or clothing or shelter. . . . The figure which the experience of seventy years has sanctified as being that which divides sufficiency from gentility is from 150 to 160 pounds a year.²³

Where did the average wage earner fall under Lloyd George's classifications? Most of them fell far below the 3 pounds weekly mentioned by Lloyd George in the speech to the House of Commons. L. G. Chiozza-Money estimated that in 1908, out of an annual national income of 1,844 million pounds, 1.4 million "rich" persons enjoyed 634 million pounds of the national income; 4.1 "comfortable" persons enjoyed 275 million pounds; while some 39 million "poor" persons had to share 935 million pounds.²⁴ This meant that approximately one-half of the national income went to only 5.5 million persons, while the other half of the national income was shared by 39 million persons.

Professor A. L. Bowley broke the wage earners in this lower income group into the following categories based on shillings earned per week.

²³H. of C., April 29, 1909 (4 H.C.Deb., 5 s., p.505.)

²⁴L.G.Chiozza-Money, Riches and Poverty (10th ed.; London: Methuen & Co., 1911), chap.v.

TABLE 2*
WEEKLY WAGES OF ADULT MALES IN 1910

Wage	No. of Men	Percentage
Under 15s.	320,000	4
15s. to 20s.	640,000	8
20s. to 25s.	1,600,000	20
25s. to 30s.	1,680,000	21
30s. to 35s.	1,680,000	21
35s. to 40s.	1,040,000	13
40s. to 45s.	560,000	7
Over 45s.	480,000	6

*Source: A. L. Bowley, The Change in the Distribution of the National Income 1880-1913 (Oxford: The Clarendon Press, 1920).

It can be seen from the above table that 87% of these wage earners were receiving 2 pounds or less a week, a pound under what Lloyd George had called the dividing line between sufficiency and gentility. Unfortunately for the wage earner, there did not seem to be any prospect of immediate improvement.

During the decade 1900-1910, (Index year 1900=100), money wages had been increased only two-tenths of one percent, while during the same decade the purchasing power of the pound had dropped by nearly 9%.²⁵ The real wages of the worker were dropping, and during a period of greatly expanded foreign trade to boot! With the exceptions of 1901 and 1908, the decade 1900-1910 was a period of growing prosperity for British exporters. Exports rose in value from 354

²⁵For statistics dealing with real and money wages, purchasing power of the pound, etc., see Abstract of Labour Statistics, Board of Trade (Labour Department) Fifteenth Abstract of Labour Statistics in the United Kingdom, 1912.

million pounds in 1900 to 534 millions in 1910.²⁶ This prosperity was to continue down to the outbreak of war in 1914, but the wage earner was still to find that his slight increases in earnings did not keep pace with the rise in prices of commodities he needed. This problem became the dominant concern of the workers in the years immediately preceding the First World War.

And what had the Liberal Government done between 1906 and the end of 1910 to raise the standard of living for these workers? Looking back over the legislation of this period there is but one measure which directly attempted to raise the wage scale, i.e., the Trade Boards Act of 1909. And this act was restricted to cover only the lowliest of wage earners in the so-called "sweated" industries. All of the other Liberal legislation of this period, Old Age Pensions, Labour Exchanges, Coal Mines (Eight Hour) Act, and Trade Disputes Act, did not alter the purchasing power of the workers. And as will be seen in the chapters which follow on the closing period of this last Liberal Government, little else was done by the Liberals to alter the distribution of wealth and improve the lot of the workers.

Professor Marriott writes of this period:

.... the wage-earner could not but contrast his status as a citizen with his status as a workman. The contrast generated that spirit of unrest which issued in industrial strife. The solution could not, at the moment, be found, nor even sought. Before the clash of interests could be reconciled the whole world was involved in the clash of arms.²⁷

It might be added, that this spirit of unrest amongst the workers, along with the Liberal debacle in Ireland, shattered the political effectiveness of that party.

²⁶Yearly export figures from 1854 through 1912 can be found in George Herbert Perris, The Industrial History of Modern England (London: Kegan Paul, Trench, Trubner & Co. Ltd., 1914), pp.573-574.

²⁷J. A. R. Marriott, Modern England 1885-1945 (London: Methuen & Co. Ltd., 1948), p.246.

CHAPTER VII

THE PARLIAMENT BILL AND SOCIAL REFORM

Final Passage of the Parliament Bill

The Parliament Bill was naturally the first order of business for the new Parliament that sat for the first time on January 31st, 1911. The other major piece of legislation mentioned in the King's Speech was the National Insurance Act, but before any action could be taken on the really controversial measures, such as Home Rule and Disestablishment of the Church in Wales, it would be necessary to pass the Parliament Bill.

Asquith quickly moved the First and Second Readings of the bill late in February. The Opposition, during the debate on the bill's Second Reading, stressed the coercion being used by the Irish to force the Government to push through this measure without regard for the English Constitution. Said Balfour:

I want a Second Chamber. The Government also wants a Second Chamber. We are in happy agreement about that. . . . We cannot trust them (the Government) because they are not approaching this question as they would approach it were they an independent party. They are approaching it because they are coerced by their alliance with the Irish party.¹

This kind of attack was to be used repeatedly by the Opposition during the months to follow, and on frequent occasions, Unionists were to disrupt debate in the Commons by calling for "Redmond." But this argument, as valid as it might have been, could not prevent the passage of the Second Reading on March 2nd, with a Government majority of 121 votes. The bill was in committee from that date until the 10th of May, and in this interval, Lord Lansdowne and his Conservative colleagues came up with a scheme which they hoped would

¹H. of C., March 2, 1911 (22 H.C. Deb., 5 s., pp. 574 ff.)

change the whole complexion of the issue.

What Lord Lansdowne had in mind can be seen from his notes on a conversation he had with the King on January 27, 1911. He wrote:

It might, however, happen that, as the situation developed, the issue might undergo a change. For example, supposing an amendment to be carried for the purpose of safeguarding the Constitution against a violent change during the time which, if the Bill became law, would pass before a reformed House of Lords could be called into existence, a new issue of the kind which I contemplated might arise.²

It is apparent, that at this stage, the Opposition was grasping at any straw that might save the House of Lords from the Parliament Bill. Lansdowne still felt that there was a slim possibility of blocking the Parliament Bill, if a serious attempt was made to change the composition of the House of Lords. The Preamble to the Parliament Bill, which had been inserted by the Liberal Cabinet to pacify those of its members who desired a complete reform of the Upper Chamber, led some Conservatives to believe that there was still some hope of appealing to the moderate section of the Liberal Party for modification of the Parliament Bill. The Preamble read:

Whereas it is expedient that provision should be made for regulating the relations between the two Houses of Parliament: And whereas it is intended to substitute for the House of Lords as it at present exists a Second Chamber constituted on a popular instead of hereditary basis, but such substitution cannot be immediately brought into operation:³

The Unionists, led by Balfour and Lansdowne, wanted to know, why, if the Liberals were at all serious about reforming the Lords, such reform could not be considered along with the Parliament Bill.

²Lord Newton, Lord Lansdowne: A Biography (London: Macmillan & Co., Ltd., 1929), p.410.

³H. of L., May 24, 1911 (8 H.L.Deb., 5 s., p.768.)

In order to give some concrete meaning to their protestations, Lord Lansdowne introduced a bill on May 8th for the reconstitution of the Lords.

His bill proposed to limit the House of Lords to 350 members. Of this number, 100 were to be hereditary peers, elected by the entire body of hereditary peers, but they were to have special qualifications other than just their peerages. Those eligible for election were to have distinguished themselves in the civil service, army, navy, diplomatic service, the Commons or in local government. These elected peers would sit for twelve years, with a provision for a rotation of one-quarter of their numbers every three years. Re-election was possible, and provision would be made for minority representation.

The second major group in the reconstituted House of Lords was to be composed of 120 members chosen through electoral colleges. These colleges would consist of the members sitting in the Commons, and those they elected would have terms of twelve years. Once again, provision was to be made for proportional representation. The last major group would consist of 100 members appointed by the Crown for a term of twelve years. This group would be apportioned according to the strength of the various parties in the Commons. Lastly, there were to be sixteen Law Lords and seven Lords Spiritual, and the Princes of the Blood Royal would continue to have the right to sit in the House of Lords.

These were the major provisions of the bill which the Conservative Lords thought might possibly deter the Government from forcing the Parliament Bill through without amending its drastic provisions. However, any faint hope that the Unionists had had in

this respect were dashed when Lord Morley replied to Lord Lansdowne's introduction of this measure:

The noble Marquess's Bill may or may not be a good Bill; an adequate and sufficient Bill in itself and on its own merits. It may or may not prove to be a possible supplement or complement to the Parliament Bill, but there is one thing which it cannot be. It cannot be a substitute or an alternative for the Parliament Bill.⁴

Despite this warning from Viscount Morley, the Lords proceeded to pass the bill through its First and Second Readings without a division. But by the time Lord Lansdowne's bill had passed its Second Reading on May 22nd, the Parliament Bill had been introduced into the House of Lords. It came up for its Second Reading the day after the Lords had approved Lansdowne's reform. Lord Lansdowne made it clear that, although the Opposition was prepared to vote for the passage of the bill on its Second Reading, they of course felt free to offer amendments during the committee stage that followed.

The Unionist leadership, by May 29th, the date on which they passed the Parliament Bill through its Second Reading without a division, had given up the idea of pressing for further consideration of Lord Lansdowne's reconstitution bill. Their plan now was to amend the bill, despite further warnings from Viscount Morley that any damaging amendments would be unacceptable to the Government. The committee stage was not reached until the 28th of June, for the House adjourned from the 2nd to the 26th for the coronation of George V. When the committee stage was reached at the end of June, the Conservative peers greatly changed the character of the Parliament Bill by their amendments.

⁴H. of L., May 8, 1911 (Ibid., p.239.)

The most drastic of these amendments was that of Lord Lansdowne, approved by the Lords on July 5th. Under this amendment, any bill that affected the existence of the Crown or the Protestant succession, or which sought to establish a National Legislative Assembly in Ireland, Scotland, Wales or England, would have to be submitted to a national referendum. Such an amendment was clearly unacceptable to the Liberal Government, and Asquith informed the King on July 14th that the Commons would be forced to reject the amendments of the Lords en bloc. The King gave his final assent to the creation of peers if the Commons was forced to take this action.

On July 20th, the Lords passed the Parliament Bill through its Third Reading, as amended, and sent it back to the House of Commons. The very same day, Asquith wrote to Balfour and Lansdowne informing them that he could not accept the amendments of the House of Lords, and that the King had given his consent to the creation of peers. The bill would be sent back to the Upper Chamber, and the decision as to whether or not the peers would be created would rest in the hands of the Conservative members of the House of Lords.

The pace of events now began to move more rapidly as the issue came to a head. After receiving Asquith's letter, Lord Lansdowne called a meeting of Unionist peers at Lansdowne House on July 21st. The majority of the peers at this meeting supported the view expressed by Lord Lansdowne, namely, that the lesser of two evils was to accept the Parliament Bill rather than face the creation of some 500 new peers. But a substantial group present, including Lord Halsbury, Lord Salisbury, Lord Selborne and Lord Balcarres, were for fighting to the bitter end. They were supported in this resistance by Austen Chamberlain, F. E. Smith, George Wyndham, Sir Edward Carson and other leading Conservatives in the House of Commons.

A. J. Balfour was in substantial agreement with Lord Lansdowne at this juncture. He wrote on July 22nd:

Put briefly, the position is as follows. I regard the policy which its advocates call 'fighting to the last' as essentially theatrical, though not on that account necessarily wrong. It does nothing, it can do nothing; it is not even intended to do anything, except advertise the situation.⁵

Despite the unanimity of the Unionist leaders, a large number of the rank and file were prepared to obstruct the Government by any means possible. As a result of this attitude, the House of Commons was to have one of the most disorderly sessions in modern Parliamentary history.

When the Prime Minister rose to address the Commons on July 24th, with respect to the Lords' amendments to the Parliament Bill, he was greeted with cries of "traitor" from the Opposition benches. The Opposition, led by F. E. Smith and Lord Hugh Cecil, threw the House into turmoil by their incessant interruption of Asquith's speech. The noise was so great that his words were inaudible, and despite the repeated warnings of the Speaker, the Prime Minister was finally forced to sit down. The disturbance became so great, that the Speaker finally invoked Standing Order 21 which empowered him to adjourn the House in cases of grave disorder without the Question being put.⁶

Though Asquith's speech was inaudible to the members in the Commons, the speech was printed in the newspapers on the following day. In it, the Prime Minister rejected all of those amendments of the Lords that seriously changed the character of the bill, and he also cited the constitutional precedent for his actions. He said

⁵Blanche E. C. Dugdale, Arthur James Balfour, Vol.II (New York: G. P. Putnam's Sons, 1937), p.45.

⁶For detailed report of this incident see 28 H.C. Deb., 5 s., pp.1467 ff.

in part:

We cannot doubt then, Sir, that the advice we have rendered to the Crown--and which the Crown has accepted--is warranted by the constitutional principle, and that we are following in spirit and almost to the letter the precedent set by the great Whig statesman of 1832.⁷

This referred to Lord Grey's securing a pledge from King William IV, that the King would create enough peers to pass the great Reform Bill of 1832 through the Upper Chamber. The constitutionality of the precedent did little to appease the Conservative opposition however.

Votes of censure were moved in both Chambers against the Government on August 7th and 8th, with the main complaint of the Opposition being that "the people will be precluded from again pronouncing upon the policy of Home Rule."⁸ The censure resolution was defeated in the Commons, but because of the large Unionist majority in the House of Lords, it was carried in that chamber. All of this was to no avail, as far as the end result was concerned.

The crucial vote came in the House of Lords on August 10th, 1911, when Viscount Morley moved that the House should not persist in their amendments to the Parliament Bill. Lord Lansdowne appealed to his Conservative colleagues to abstain from voting on the motion, so that the onus of the passage of the Parliament Bill would fall entirely on the Liberal Government. Lord Halsbury and his followers were not prepared to listen to this advice of their leader, and they announced their intention to fight to the very end. Lord Morley wrote of this evening's events:

⁷J. A. Spender and Cyril Asquith, Life of Herbert Henry Asquith, Lord Oxford and Asquith, Vol.I (London: Hutchinson & Co., 1932), p.320.

⁸H. of C., August 7, 1911 (29 H.C.Dec., 5 s., p.795.)

As one who had taken part in a thousand parliamentary divisions I felt that the universal strain to-night was far more intense than any of them-- . . . the result was still to all of us profoundly dark, and dark it remained in the dead silence only broken by the counting of the tellers, down to the very moment of fate.⁹

When the division was completed, the Government had won by a majority of 17 votes, 131 to 114. The Government was greatly aided at the last moment by the Archbishop of Canterbury, who indicated that he had originally intended to abstain from voting, but due to the "callousness" of some of his colleagues towards the creation of 500 peers, he had decided to vote with the Government. This added 13 Lords Spiritual to the Government's side, which otherwise would have reduced the majority to 4 votes if they had chosen to abstain. The remainder of the Government majority consisted of 80 Liberal peers, and 38 Unionist peers who chose to vote with the Government. If 18 more Conservative peers had decided to abstain, or if 9 of those who voted with the Government had voted the other way, the Bill would have been lost.

The British Constitution had undergone a great change. Not only did the Parliament Bill add a great deal to the written part of that constitution, but in effect established a unicameral legislature, with the Second Chamber having only a suspensive veto that could block legislation for a two year period only. This could, of course, be bothersome, but from this date on, any party with a substantial working majority in the Commons was assured of success in any legislation they sought to enact within the life of a single Parliament.

This marked the end of a long road for the Liberal Party,

⁹Viscount Morley, Recollections, Vol.II (New York: Macmillan Co., 1917), p.355.

and the beginning of a new struggle that was never to be settled by that party. The path now appeared to be clear for such measures as Home Rule, Disestablishment of the Church in Wales, abolition of Plural Voting and Educational Reform, but the Liberal Party and its supporters were soon to be disillusioned on this score. Though the legislative apparatus was now available for enacting such legislation, time, and the practical difficulties of everyday politics were to frustrate the Liberals in their attempt to accomplish these goals.

The Parliament Bill dominated this legislative session of 1911, but there were other measures which bear consideration, particularly the National Insurance Act. This act along with other important measures of the session will be considered below.

National Insurance Act

After the almost completely barren legislative year of 1910, Liberals were anxious to pass some of their long delayed legislative proposals. The passage of the Parliament Bill in 1911 was a great victory for the Liberal Party, although it had by no means had the overwhelming support of the electorate for this measure as indicated by the two elections of 1910. More important for the Liberal cause was what they would do with this victory.

The Liberal Government, however, scored another victory in 1911 which gave the impression that a new era of social reform was about to begin. This impression was imparted by the passage of the National Insurance Act.¹⁰ Although it was not suspected at this time, this act was to be the last substantial measure of social

¹⁰ 1 & 2 Geo. 5, Cap. 55: An Act to provide for Insurance against Loss of Health and for the Prevention and Cure of Sickness and for Insurance against Unemployment and for purposes incidental thereto.

reform enacted by a Liberal Government. The major share of the credit for the passage of this bill belongs to Lloyd George, who apparently could still remember his warning given in 1906 concerning the conditions of the working class.¹¹ This measure was aimed at solving the problem of sickness and unemployment amongst the workers.

"In making insurance against sickness compulsory by Part I of the Act of 1911, Britain was following an example set thirty years before by Bismarck in Germany. But the scheme of compulsory insurance for unemployment. . . . was the first of its kind in the world."¹² Both parts of this act differed from the Old Age Pensions Act of 1908 in that the workers had to contribute to the cost of the insurance. It was estimated that under Part I of the act, between 14 and 15 million persons would be eligible for sickness benefits, including all manual workers between the ages of 16 and 70 whose incomes did not exceed 160 pounds per year. Each employer was to pay 3d. a week into the sickness and invalidity fund for each of his employees, while the employee was to contribute 4d. (3d. for women), and the State 2d.

Workers would receive sickness benefits of 10 shillings a week for the first three months of illness, and 5 shillings a week for the following three months. If the illness or invalidity lasted for a period longer than six months, the worker would receive 5 shillings weekly for the duration of his illness. Benefits were slightly less for women, but a maternity payment of 30 shillings was provided. Free medical attention and drugs were also to be given to persons insured under the scheme.

¹¹ Supra., p.21.

¹² Lord Beveridge, Voluntary Action (New York: The Macmillan Co., 1948), p.223.

The unemployment section of the act was less comprehensive in its coverage than that dealing with sickness. Only those persons employed in certain specific fields of work were to be covered. These fields included the building trades, shipbuilding, iron-foundries, engineering and vehicle construction. All told, there were some 2½ million workers who would be eligible for unemployment payments. As was the case with sickness premiums, the employer, employee and the State were to contribute to the cost of this insurance. The employer and employee were each to pay 2½d. per week, and the Government would add a sum equal to 1/3 of the amount raised by the employers and employees. For every five weeks that the employee contributed to the fund, he would be entitled to one week of unemployment compensation at the rate of 7 shillings per week. The maximum that could be drawn in any one year was fixed at fifteen weeks, and the worker had to prove that he had been employed in an insured trade for at least twenty-six weeks during the previous five years. Administration of benefits was to be handled through the Labour Exchanges and other approved societies, including trade unions.

Such was the character of the bill introduced by Lloyd George on May 4th, 1911, and as was the case with most measures associated with his name, the bill created a storm of controversy. "The Insurance Act did not buy votes for the government of the day, but like the other greatest social reform of the century, the Balfour Education Act, it lost them."¹³ Where did this opposition come from? Primarily from the left-wing elements of the Labour movement, and from the medical profession. The objections voiced by the Labour-

¹³R. C. K. Ensor, England 1870-1914 (Oxford: The Clarendon Press, 1936), p.446.

ites stemmed from the required contributions of workers under both sections of the act.

I would like to say the whole question of contributions ought to be very carefully considered. . . . My impression I am bound to say. . . . is that the premiums are rather high, and that in particular the distribution between the worker, the employer, and the State should be a little more fairly adjusted.¹⁴

This comment by Ramsay MacDonald, upon the introduction of the bill, represented the milder form of Labour criticism which, for the most part, was willing to accept the measure with some modifications.

. . . . the Fabian Society and Socialist organizations generally were at once up in arms against Lloyd George's rival scheme. . . . Hilaire Belloc and other Liberals, as well as the Labour left wing, denounced this plan as a step towards the 'Servile State,' and the Socialists set on foot a national campaign in favour of non-contributory social services, to be financed by taxation levied on the rich.¹⁵

Apparently the more radical elements within the Labour movement, as well as some Radicals within the Liberal Party, did not think much of a social reform that called upon the workers to provide 44% of the funds for the insurance. This would not bring about a very rapid redistribution of the wealth of the nation.

But this was not the only source of opposition to the Insurance Act of 1911. The medical profession objected most strenuously to several of the clauses in the bill as it was first introduced. Doctors objected to the administration of the medical provisions of the act through the Friendly Societies, and they also wanted the patients to have a free choice of doctors. Lloyd George made concessions on both of these points in the final form of the bill, otherwise, he would have run the risk of open hostility towards the

¹⁴H. of C., May 4, 1911 (25 H.C. Deb., 5 s., p.655.)

¹⁵G. D. H. Cole, British Working Class Politics, 1832-1914 (London: Routledge & Kegan Paul Ltd., 1941), p.214.

bill by the medical profession.

Despite the Conservative agitation against the bill, both in the press and on the public platform, and the opposition of the Socialists to the contributory character of the act, it was passed through both Houses of Parliament in one legislative session, and received the Royal Assent on December 16th, 1911. The popularity of this measure, even amongst the workers, was highly questionable. "We have the authority of the Chief Liberal Whip (Alexander Murray, the Master of Elibank) for saying that had an election taken place at the end of 1911 the Liberal party would have been defeated."¹⁶ Though there was no general election, the Liberals lost five by-elections during the year, three of them being lost in rapid succession in November and December. In November, one of the seats was lost at Oldham when a Labourite polled nearly 7500 votes, while the Liberal lost by 1600 votes to a Conservative. At the end of 1911 there were 277 Conservatives in the Commons to the Liberals 267 members.

Thus it was, that although the Liberals had passed the two greatest measures of reform during their six years in office, i.e., the Parliament Act and the National Insurance Act, their political stock with the electorate seemed to be slipping even lower.

Among the pieces of minor legislation for this session there are three worth noting: the Shops Bill, the Coal Mines Bill, and the Small Landholders Bill for Scotland. It was originally intended by the Government to enact a Shops Bill in 1911 that would limit the hours of work per week to sixty for all shop assistants, as well as requiring nearly all shops to close on Sundays. However,

¹⁶ Thomas Jones, Lloyd George (London: Oxford University Press, 1951), pp.40-41.

in order to secure rapid passage of the bill, these provisions were dropped (despite loud protests of Labour M.P.'s), and a compromise measure was passed.¹⁷ The act as finally enacted provided for a weekly half-day holiday for all shop assistants and shopkeepers, and specific minimum times were set for employee's lunch and tea hours. Although the act was extended to cover nearly 2 million shop assistants, the representatives of Labour were disappointed that the Government did not see fit to place a specific maximum on the number of hours to be worked. The employer, though he now had to give a half-day off each week, could make this up by extending the number of hours worked on other days.

The Coal Mines Bill¹⁸ was a comprehensive measure which sought to consolidate many past regulations into one bill, as well as adopting new measures to improve working conditions in the coal fields. During the three decades from 1872 to 1902, the death rate in coal mine accidents had dropped from 2.24 per thousand workers to 1.39 in 1902.¹⁹ But from 1902 to 1911, there had been no decrease in these figures, and several mine disasters in 1910 had made that year one of the worst on record for deaths in mining accidents. To combat these disasters, the Coal Mines Bill of 1911 imposed many new regulations which included; stricter governmental inspection of mines; compulsory adoption of new safety devices; and the raising of the minimum age for boys working in the pits to fourteen. The need for such measures was recognized by all parties and the bill

¹⁷For provisions of this act see 23 H.C.Deb., 5 s., pp. 2580 ff.

¹⁸Details of bill in 22 H.C.Deb., 5 s., pp.2249 ff.

¹⁹Statistics on mine deaths can be found in 21 H.C.Deb., 5 s., pp.1042 ff.

passed through both Houses without a division being taken.

Scotland finally got a measure of land reform in this session. The Smallholdings Bill²⁰ for Scotland was for the most part the same measure which the House of Lords had rejected in 1907. By means of this act the Government hoped to encourage small farmers to stay on the farms of Scotland, and if possible, persuade others to return to the soil. The Government's concern was expressed by Lord Pentland on the Second Reading of the bill in the House of Lords.

Then again, the emigration figures for Scotland are alarming. We have hitherto been accustomed to regard Ireland as that portion of the United Kingdom which contributes most to emigration, but that state of things has been reversed for the last five years. Scotland contributes about 11% to the total population of the United Kingdom, but it contributes 25% to the emigration figures.²¹

It was hoped that the benefits of the Smallholdings Bill would stem the tide of emigration. Tenant farmers were to have their rents fixed by Land Courts throughout all of Scotland, and if a tenant moved, he was to be paid fair compensation by the landlord for any improvements he had added to the land or buildings. The Congested Districts Board was to be replaced by a Board of Agriculture that would have powers over all agricultural activity in Scotland. The new Board was to ascertain the demand for new smallholdings, and when it was deemed necessary, the Board had the power to acquire land and resettle farmers on such areas. Loans were to be made available to smallholders for buildings and other capital improvements that were approved as being necessary to the successful operation of the farm.

Many factors complicated the problems surrounding the use of

²⁰Provisions of bill found in 26 H.C.Dec., 5 s., pp.1355 ff.

²¹H. of L., November 27, 1911 (10 H.L.Dec., 5 s., pp.295-296.)

land in Great Britain at this time. L. G. Chiozza-Money writes of this problem:

As a general rule the stationariness of the rural population is attributed to cheap imports, or land tenure, or want of housing accommodation, or the attractions of town life, or the higher wages offered in industrial pursuits. . . . but one of the most potent causes is rarely considered. It is the application of machinery and improved methods to agriculture.²²

With so many forces at work depleting the agricultural population, this Liberal measure of 1911 could be considered as a small experimental approach to the agricultural problem. Lloyd George was to start work on a much broader reform program in this area during the next few years, but the outbreak of war in 1914 cut this project short. There was little that the Liberals could be credited with in the way of land reform between 1906 and 1914.

One further measure deserves consideration although it was not an Act of Parliament. This was the provision of 250,000 pounds in the Budget to be used for the payment of salaries for members of the House of Commons.²³ For the first time in the history of the Commons, Members were to receive 400 pounds per annum. The proposed payment of members was bitterly attacked on several grounds. Objections were raised that this was just a means employed by the Government to circumvent the effects of the Osborne Judgement on the members of the Labour Party. Since that decision had cut off the funds provided by the trade unions for the support of Labour M.P.'s, the Liberal Government could not deny that such a measure would at least take part of the sting out of the Osborne decision. Indeed,

²²L. G. Chiozza-Money, Riches and Poverty (7th ed.; London: Methuen & Co., 1908), p.224.

²³Details of this proposal can be found in 24 H.C.Deb., 5 s., pp.233 ff.

it was a partial payment of the Liberal's promise to the trade unions to do something about that decision. But the Liberals still delayed any further legislation on this issue, which harmed their position with respect to the Labour movement.

A number of members objected to the fashion in which this proposal was passed through the Commons. It was done by resolution, rather than being an Act of Parliament. Said Viscount Wolmer:

Our point is that this most important innovation ought to have been carried out by Act of Parliament. We regard it as highly unconstitutional to have proceeded by means of Resolution and Vote. . . . We believe that such an important change in our Constitution ought to have been discussed in all its bearings before it became an actual fact. . . .²⁴

Other members felt very strongly that serving in Parliament was a public duty that should be performed voluntarily.²⁵ Their argument was that this payment would attract men to Parliament who thought first of the monetary reward, and placed public service in a subordinate position. All of these objections were brushed aside by the Government's majority and the resolution to pay members was carried by 265 to 173 votes. Thus, the Parliament of Great Britain became the last major legislative body in the world to drop voluntary service in its legislative branch of government.

Rise of Labour Unrest

While Parliament was engaged in passing the Parliament Bill and National Insurance Act, trouble was brewing in the trade unions. As can be seen from Table 1 in the last chapter²⁶, strikes in 1911

²⁴H. of C., August 14, 1911 (29 H.C.Deb., 5 s., p.1580.)

²⁵The case for voluntary Parliamentary service is set forth in 29 H.C.Deb., 5 s., pp.1376 ff.

²⁶Supra., p.142.

were doubled in numbers over the average for the decade 1900-1910, and close to a million workers were involved in disputes during this year. The general tone of the strikes in 1911, as well as those which were to follow during the next few years, had been set by the coal strike of Welsh miners in the Aberdare and Rhondda Valleys of South Wales in 1910-1911. This dispute arose over the price-lists for cutting various grades of coal, and by November 1910 some 10,000 miners were out on strike in spite of the pleas of their union leaders to return to work. They remained out of the pits for 10 months, until August 1910, and rioting was not uncommon during these months.

Several companies of infantry and cavalry, as well as 800 additional police officers from London, were stationed in the valleys to maintain order.²⁷ When the men finally returned to the pits in August 1911, they went back under terms which they could have had eight months earlier, but their efforts were not totally lost.

The results of their bitter and gallant fight had already discovered themselves in every corner of South Wales. Things were not as they had been. The cautious spirit of the S.W.M.F. (South Wales Miner's Federation) had been shamed away, and from now onwards the gospel of the minimum wage was openly preached, not only in Wales, but in every coal field of Great Britain. And so a spontaneous and impulsive strike, begun by a handful of Welshmen against the advice of leaders, the findings of Conciliation Boards, and the downright disapproval of the national Federation, ultimately sounded its alarm in the stilled soul of a whole industry.²⁸

This was the character of the strike "fever" that was to grip Great Britain until the outbreak of the First World War. Matters became worse in 1911, however, when major strikes amongst transport workers threatened to bring the economic life of the nation to

²⁷For the activities of the police during this strike see 22 H.C. Deb., 5 s., pp. 932 ff.

²⁸George Dangerfield, The Strange Death of Liberal England (New York: Harrison Smith & Robert Haas, 1935), pp. 246-247.

a standstill. The cities of Leeds, Hull, Southampton, Manchester, Hull, Liverpool and London became the centers of serious labor disputes.²⁹ Beginning in June in Southampton, seamen, firemen, stevedores and carters began to strike the great ports of England. During the next two months the strikes spread to Hull and Manchester, and at the beginning of August the great port of London was closed. While food rotted on the docks of London, the nation became aware of the growing dissatisfaction, and strength, of the trade union movement.

No sooner had the strike in the Port of London ceased, than the nation found itself threatened with a strike of the railwaymen. Still smarting from what they considered a defeat in 1907, the railway employees came out in a body on August 17th, 1911, and the entire railroad system was paralyzed for forty-eight hours.³⁰ A settlement was reached only after the Government had pleaded that a continuation of the dispute would endanger national security. The "Agadir" crisis with Germany was at its height at this time, and it was felt that the railway strike might encourage bolder actions by Germany. This plea, used as a last resort, was successful in getting the two sides to negotiate the dispute.

As noted above³¹, Asquith displayed very little tact in these negotiations. Austen Chamberlain writes;

Ramsay MacDonald, from whom I have this, tells me Asquith infuriated them (the union leaders). He marched into the room where they were met at the Board of Trade and, without as much

²⁹For an excellent discussion of the negotiations in these strikes see Lord Asquith, Industrial Problems and Disputes (London: John Murray, 1920), chaps. xvi-xviii.

³⁰For the circumstances surrounding the Railway strike see 31 H.C. Deb., 5 s., pp. 1224 ff.

³¹Supra., pp. 78-79.

as saying 'good morning' to them sat down and read in his most aggressive tones the published statement. Then he added a few words which they interpreted as a threat to shoot them and, without giving any time for a question to be asked and without a further word, marched out of the room.³²

It was small wonder that the railwaymen decided to strike after this interview with the Prime Minister. Troops were used during the brief period of the strike, and two workers were killed when the troops opened fire on a mob in Carmarthenshire. The strike left a bitter taste in the mouths of railway workers, and the handling of the affair by the Government created a good bit of ill-feeling.

After the settlement of the railway strike, dockers and carters struck in Liverpool, with troops being employed once again, although this time there were no deaths. This was followed by a dockers strike in Dundee in December. All told, it had been a turbulent year in the labor movement, and the prospects for peace in the industrial world did not look any more hopeful for the forthcoming year. And through it all, the Liberal Government resorted to ad hoc measures for solving a problem that called for long range planning, and profound changes in labor-management relations in the industrial life of Great Britain.

The Comptroller-General of the Commercial, Labour and Statistical Departments of the Board of Trade, George R. Askwith (Lord Askwith), has written:

So far as the Government was concerned, Ministers were immersed in constitutional struggles. They had little or no labour policy. The Members of the Government were strangely outside and ignorant of the labour movements in the country; or of any personal knowledge of the principal labour leaders.³³

This was from a man who, perhaps more than any other man in

³² Austen Chamberlain, Politics From Inside (London: Cassell & Co. Ltd., 1936), p.346.

³³ Askwith, op. cit., pp.351-352.

England, knew most intimately all of the persons and circumstances surrounding the labor troubles of these years. He acted as chief arbitrator for the Board of Trade, and he has been given much credit for settling many of the major strikes in this period. He certainly had serious doubts about the use of the Agadir crisis as a means for settling a labor dispute.³⁴

Lloyd George, who amongst all the Liberal leaders of the day had the greatest appeal amongst the working classes, had employed this argument of national security to end the strike. By so doing, he began to lose some of his stature in the eyes of that class.

Dangerfield writes:

. . . . but he was never to emerge--never, never again--as the messianic friend of the working classes. . . . They had turned against him finally when he persuaded the Railway Companies to remember Agadir, on August 19, 1911.³⁵

More disillusionment was to follow in 1912 when the fiery Welshman became involved in the "Marconi Incident." If the working classes could not look to Lloyd George, who then could they turn to? The strikers of 1911 had, for the most part, been successful in securing higher wages through such direct action. If the Liberal Government was not going to do anything about wages, then perhaps bigger and better strikes would do the trick. No legislative act of 1911 had increased the wage scale, in fact, the National Insurance Act had provided for further deductions from the worker's pay.

The working classes were rapidly losing faith in parliamentary action as a solution for their economic problems, and the Liberal Party was bound to suffer for they were the Government of the day. The suffering was to become more acute in 1912.

³⁴Ibid., pp.166-167.

³⁵Dangerfield, op. cit., p.278.

CHAPTER VIII

INCREASING DIFFICULTIES OF THE LIBERAL GOVERNMENT

With the passage of the Parliament Act behind it, the Liberal Government had hopes of enacting several important measures in the Parliamentary session of 1912. The proposed bills for this session included Home Rule for Ireland, Disestablishment of the Church in Wales, and a bill to extend the franchise. But before the Government could get to any of these problems, it was confronted with the most serious domestic labor dispute to date.

From the very outset of the new year, serious labor disputes were in evidence. During January, and early February, 160,000 workers in the cotton mills of Lancashire were locked-out over the issue of union shops, while the port of Glasgow was closed down by a dockers' strike. But by far the most serious threat came in late February, when the Miner's Federation of Great Britain announced that there would be a nation-wide strike of miners unless their demand for an industry minimum wage was agreed to by the mine operators. For the first time in the history of the nation, organized labor was threatening to strangle the entire country's economic life by striking every coal producer in the United Kingdom.

The threat became a reality at the end of February. Within a few days, close to one million miners came out of the pits, and as the strike progressed, the wheels of industry began to grind to a halt for want of coal. Although the strike vote had been taken before Christmas 1911, the Liberal Government did not take any action to intervene in the dispute until February 20th, just barely a

week before the strike deadline.¹ Asquith, in company with Sydney Buxton, Sir Edward Grey and Lloyd George, met the miners' representatives and coal mines owners on February 22nd in a conference they hoped would bring about a settlement. We need not trace in detail all of the conferences that were to take place during the ensuing three weeks, though it should be noted that the miners' representatives persisted throughout the negotiations that they must have a national minimum wage of five shillings for men and two shillings for boys per day in all of the coal fields.²

The general plan which the Prime Minister tried to get the parties to the dispute to agree to was patterned after the Trade Boards established in 1909. Boards would be established in the various coal districts to set a minimum wage for each individual district, and if the miners and operators could not agree on a neutral party to sit on these boards, a representative of the Government would be appointed to act as the neutral party. Though some of the coal mine owners agreed to this plan, others refused to accept it, and the miners turned it down as well.

Having thus failed to get the two sides to agree to this scheme, Asquith introduced it into the House of Commons on March 16th as the Coal Mines (Minimum wage) Bill. The bill established twenty-one Joint District Boards in the coal mining areas of England, Scotland and Wales. Each board was to have a membership that provided for equal representation of miners and owners, and a chairman,

¹For the position of Asquith and his Cabinet on the Coal Strike of 1912 see J. A. Spender and Cyril Asquith, Life of Herbert Henry Asquith, Lord Oxford and Asquith (London: Hutchinson & Co., 1932), Vol. I, pp. 352 ff.

²The miner's position is clearly stated by Robert Smillie, in My Life for Labour (London: Mills & Boon Ltd., 1924).

who was to have a deciding vote in cases of disagreement between the two parties, was to be agreed upon by the two sides. The Board of Trade would appoint such a chairman if the owners and miners could not agree upon this point. The Boards were empowered to set the minimum wage for miners in their district, and provision was made for the revision of these wages rates from time to time. It was further stipulated that the Act would be in effect for three years, and at the end of this time period the act would cease to be operative unless renewed by Parliament.

Asquith would go no further than this, and he refused to incorporate into the bill the specific minimums demanded by the Miner's Federation. Because of this refusal to set specific minimums, the Labour Party voted against the bill on its Third Reading. The Labourite group in the Commons did not feel that the bill as it stood would end the strike. Ramsay MacDonald said:

We want results. We do not believe it is possible for the men to go in until something tangible has happened. They are not out for words; they are not out on sentiment. They are out for an increase of wages and for the establishment of a bottom wage which will have some relation to the expenses of living.³

The Labourites were almost right, but not quite. When the bill had received the Royal Assent on March 29th, the leaders of the Miner's Federation polled the membership to see if they would go back into the pits with the Coal Mines (Minimum Wages) Act as an acceptable basis for settlement of the dispute. The miners voted 244,000 in favor of continuing the strike, while 201,000 voted to return to the pits. Despite the fact that a majority voted to continue the strike, the unions Executive Board requested the men to return to work, and by mid-April the industry was back to normal.

³H. of C., March 26, 1912 (36 H.C. Deb., 5 s., pp. 386-387.)

The effect of this crisis upon Asquith was profound. Speaking before a silent and stunned House of Commons on March 26th,⁴ the Prime Minister spoke with tears in his eyes as he pleaded for the approval of the bill, and its acceptance by the miners. Austen Chamberlain writes of this incident:

The House sat absolutely silent. He (Asquith) himself laboured under great emotion, his voice breaking and tears in his eyes if not actually running down his cheeks. . . . he has acted weakly and this emotion seemed, to me at least, a further display of weakness, not the regret of a strong man, disappointed certainly but still resolute, but the lamentations of a weakling who feels that the world is out of joint and that he is not the man to set it right.⁵

It must have indeed been a pathetic scene to watch Asquith, normally imperturbable on the floor of the Commons, break down in such a fashion. He had acted in desperation when he introduced the Coal Mines (Minimum Wage) Bill, and it was apparent to all that he feared the bill might not end the dispute. The miners had held a pistol to the Prime Minister's head and won. They had not gotten the five shilling minimum, but Parliament had recognized the principle of a statutory basis for minimum wages in an entire industry. Had this been a basic principle of Liberal policy, the act would have represented a great Liberal victory. But this was not the case. It had been forced upon the Government.

Balfour met him (Grey) yesterday. He says Grey was gloomy in the extreme, did not conceal his detestation of the Bill (Minimum Wage bill) or its dangers, but we were on the brink of revolution, we must do anything to end the strike.⁶

The Liberals had enacted a measure they did not want. They had been humbled by the strikers, and a dangerous precedent set.

⁴H. of C., March 26, 1912 (36 H.C.Deb., 5 s., pp.350 ff.)

⁵Chamberlain, op. cit., p.462.

⁶Ibid., p.463.

If creating a national economic crisis could secure such favorable results for the miners, why shouldn't other unions employ the same tactics? The strike had taught the workers that direct action produced immediate results, whereas if they waited upon the promises of a political party for action, their grievances might not be settled for years to come. There was no need to give their political allegiance to a Parliamentary party when they could achieve their ends through industrial warfare. Ramsay MacDonald, writing of the victory of 1906 and its effects, said:

The old trade union methods were to be put aside. . . . Parliament and legislation were to make industrial organization unnecessary. Trade unions were neglected. The reaction was bound to come. A small Labour Party in Parliament could not do very much beyond what was ripe to be done. . . . In respect to any specific industrial or trade grievance it could not act so swiftly, or decisively, or directly as a trade union. The balance had to be adjusted; co-operation between political and industrial action had to be effected. Each had to discover that it had a field of its own.⁷

The trade unions were finding their "field" at Liberal expense. Lacking any consistent or effective policy for settling labor disputes, the Liberal Government had now opened itself to future intimidations by the labor movement through its handling of the coal strike. Liberal failure to basically alter the economic position of the working classes, coupled with procrastination on such issues as the reversal of the Osborne Judgement, had invited direct action by the trade unions. When it came, the Liberals were at a loss to cope with it, and as a result, their prestige and influence within that movement was greatly diminished.

Following the coal strike, the Port of London was once again hit by a crippling strike of dockers during June and July of

⁷J. Ramsay MacDonald, Syndicalism (London: Constable & Co. Ltd., 1912), p.41.

this year. The dockers were less successful than the miners for they lacked effective organization, and the strike was brought to an end without the type of intervention used by the Government in the coal strike. Asquith was now determined to keep the Government out of all labor disputes if it was at all possible. But the Liberals troubles were shortly to be compounded, for with the settlement of the coal strike, the way was cleared for the introduction of the Home Rule Bill for Ireland. A further constitutional crisis was to be added to the domestic labor troubles.

Home Rule for Ireland

With the coal strike settled, Asquith and the Cabinet tackled the problem of Home Rule for Ireland. The Parliament Act of 1911 had cleared the way for such legislation, for now the House of Lords could only delay such a bill. The veto was gone. But the struggle to enact this measure was to be bitter and prolonged, and by mid-1914, Ireland was to be on the brink of civil war. The tenor of the debates and actions surrounding this question can be gleaned from a speech by F. E. Smith, who along with Sir Edward Carson, was in the forefront of those who violently opposed Home Rule. In November 1911, Smith said:

So far as we are concerned, we bind ourselves simply and firmly to say, 'Before you dismember the Empire, before you betray the loyal population of Ireland in the interests of the disloyal population--before you do that we will exhaust every means which the Old Constitution, or the New Constitution which you have created, offers to us. . . . I can think of many ways in which we can secure it (referendum on Home Rule) outside of that Constitution which they have destroyed.'⁸

This hint that the Opposition would use every means at its disposal to block Home Rule, including unconstitutional processes

⁸ Bristol Times and Mirror, November 14, 1911.

if need be, was not taken too seriously by Asquith and his Cabinet when they set out to pass their Home Rule bill in 1912. The problems involved in this controversy were not new to the Prime Minister, for he had entered the Commons in 1886 at the time of Gladstone's first Home Rule scheme, and he had served as Home Secretary in the 1892-1895 Liberal Government that introduced a second Home Rule Bill. Though great difficulty was expected, particularly with respect to Ulster, the Liberal leadership did not anticipate, in April 1912, the lengths to which the opposing factions in Ireland would go in their disagreements over Home Rule.

When he introduced the Home Rule Bill on April 11th, 1912, Asquith envisaged it as being one part of a much larger plan to transfer legislative power over local affairs to separate Parliaments for Wales, Scotland and England, as well as Ireland. Referring to a speech he made on the Second Reading of the Home Rule Bill in 1893, Asquith went on to say:

. . . . in the twenty years which have since elapsed there is not one year which has not illustrated and emphasised with ever-growing cogency and clearness the imperative need, in the interests of the United Kingdom and of the Empire as a whole, for the emancipation from local cares and local burdens of the Imperial Parliament.⁹

There could be no question that the load on Parliament was becoming heavier and heavier with each session that went by. This load was to increase at a highly accelerated pace as the demand for social reform grew, and the necessities of war had to be met. It has been argued that as the demand for legislation grew by leaps and bounds, Parliament, unable to cope with the volume of business, became subordinate to the Executive branch of the Government, namely,

⁹H. of C., April 11, 1912 (36 H.C.Deb., 5 s., p.1403.)

the Cabinet.

Whatever one thinks of that argument, and there is a great deal of evidence to support it, it is plain that Asquith envisaged a federal form of government for the component parts of Great Britain.¹⁰ The Home Rule bill that he introduced for Ireland was of this character, and if it had been adopted, Ireland would have held a position quite similar to that of a state government in the federal system in the United States. Under the Home Rule Bill of 1912, the Imperial Parliament at Westminster retained supreme legislative powers, but an Irish Parliament was to be created to legislate on matters of purely local Irish concern. This new Parliament was to legislate for all of Ireland, including Ulster, and was to consist of a Senate and a House of Commons. In the original bill, the Senate was in the first instance to be appointed by the Crown, and when the original members vacated their posts, the new Irish Executive would make the appointments. However, the bill which was finally passed, provided that after the first five years, members of the Senate would be elected by the Irish voters on a basis of proportional representation so that all minorities would have adequate representation.

The House of Commons in the new Irish Parliament was to consist of 164 members elected by the existing electorate in Ireland. The powers of the new legislature were to be severely restricted. It could not legislate on any matter that affected the Crown, the

¹⁰For works dealing with the problems of federation and Home Rule see: A. V. Dicey, A Fool's Paradise; Being a Constitutionalist's Criticism of the Home Rule Bill of 1912 (London: Oxford University Press, 1915).; Erskine Childers, The Framework of Home Rule (London: E. Arnold Ltd., 1911).

making of peace and war, the Army, the Navy, treaties, dignities or treason. No religion was to be endowed by the new Irish government nor was any religion to be discriminated against. The Royal Irish Constabulary was to remain under Imperial control for six years after the act became operative, and the Irish Government would have to give a year's notice before taking over the Old Age Pensions and National Insurance schemes. The Lord-Lieutenant was to have a veto power that could nullify or suspend any act passed by the Irish Parliament.

The financial arrangements posed some difficult problems. For the year 1911-1912, taxes collected in Ireland amounted to some 2 million pounds less than the money expended by Parliament for services in Ireland.¹¹ This fact, that the Imperial Parliament would have to cover the deficit of Irish expenditures over revenue, for an indefinite period, added to the irritation of those opposed to Home Rule. In order to block such payments to the Irish Government, the Opposition, taking advantage of the temporary absence of Liberals and Labour members in the Commons, moved an amendment to restrict such payments. Sir Frederick Banbury, on November 11th, moved that in any given year the Chancellor of the Exchequer should not make any payment in excess of 2½ million pounds to the Irish Government to cover such a deficit. Sir Frederick Banbury said when he presented the motion:

The object of this Amendment is very clear. It is to prevent the taxpayers of England being called upon by the Government to provide money for a country in whose Government they

¹¹ Works on the financial arrangements of the Home Rule Bill include: T. M. Kettle, Home Rule Finance; An Experiment in Justice (Dublin: Maunsell Ltd., 1911).; Stephen Gwynn, The Case for Home Rule (3rd. ed.; Dublin: Maunsell Ltd., 1917).

shall have no share. . . . I do not trust the Government. I do not desire to give the Government a blank cheque. . . . to use the funds of the taxpayers of this country for bolstering up the Government of Ireland.¹²

To the surprise of the Commons, the Opposition carried the Amendment by a vote of 227 to 206, whereupon the Prime Minister immediately moved the adjournment of the House. Two days later, he moved a Resolution rescinding Sir Frederick Banbury's Amendment, and before the House could consider it, the Speaker was forced to adjourn the House because of the great disorder. The Resolution was ultimately passed, but not before the Opposition had exploited their momentary victory to the hilt.

Taxes would still be levied and collected in Ireland by the central government at Westminster, but the new Irish Government was to have a restricted power of taxation as well. It could levy customs, income and estate taxes in addition to those already imposed by the Imperial Parliament, but any increase in these taxes could not exceed 10%. No customs duty could be enacted by the Irish Parliament unless the same object was taxed by the central government. If the Irish Government chose to reduce any Imperial tax, then the sum returned to her each year by the Chancellor of the Exchequer (called the Transferred Sum) would be reduced accordingly.

Finally, under the provisions of the Home Rule Bill, the Irish Government would continue to send members to the House of Commons. Their number would be reduced to 42, but they would retain all the privileges of the House. Thus Ireland, to a large degree, would enjoy practically the same status as an American state has with respect to the Federal Government.

¹²H. of C., November 11, 1912 (43 H.C.Deb., 5 s., p.1766.)

It appeared at the time of the Bill's introduction in April 1912, that at last the final solution had been found for the perplexing problem of Ireland. The Bill was apparently acceptable to the Irish Nationalists, for John Redmond said:

If I may say so reverently, I personally thank God that I have lived to see this day. I believe this Bill will pass into law. I believe it will result in the greater unity and strength of the Empire; I believe it will put an end once and for all to --(An. Hon. Member: 'Cattle driving')--the wretched ill-will, suspicion, and disaffection that have existed in Ireland. . . .¹³

John Redmond was not to live to see the end of the strife in Ireland, for he died in the Spring of 1918 with the issue still not settled. But at this stage, he seemed to speak for the majority of Irish Nationalists, for on April 22nd, 1912, a Nationalist Convention in Dublin gave its overwhelming approval to the Home Rule Bill.

Though it is not the purpose of this paper to give in all its details the history of the Home Rule struggle in these years before the First World War, it is necessary to trace the general outline of these events because of their impact and effect upon the Liberal Party and its legislative program. As has already been noted, the Liberal Party and its leadership seemed quite confident in April 1912, that Home Rule would be an accomplished fact within a period of two years. But as the debate on the bill progressed throughout the year, it became more and more apparent that the Ulster section of Ireland would never peacefully accept such a measure.¹⁴

The Conservative Party in the Commons, now led by Bonar Law, who had replaced A. J. Balfour as the party leader in November 1911, fought the bill at every stage. One example of the Opposition's

¹³H. of C., April 11, 1912 (36 H.C.Deb., 5 s., p.1452.)

¹⁴For the particularly bitter debates which took place in November see: 43 H.C.Deb., 5 s., pp.1765 ff.

attitude will suffice to show the bitterness engendered by the Government's attempt to include Ulster in the Home Rule bill. Bonar Law openly proposed that the Ulster Unionists should resort to force of arms if the Liberal Government insisted upon its Home Rule bill. Speaking in the Commons on July 31st, Law said:

In regard to what I said at Blenheim, I am very glad to have an opportunity of repeating it here. The words which have been criticised were that if the Government attempted under existing conditions. . . . to drive the people of Ulster by force out of the protection of this House and of British law, I could imagine no means too strong for them to take to prevent it.¹⁵

This was not the only occasion on which members of the Unionist Party advocated revolution and civil war as a last resort against Home Rule. Both inside and outside of Parliament, speeches were made to incite violent opposition to the Government. Led by Sir Edward Carson, who had won renown for his examination of Oscar Wilde at the latter's trial, the Ulsterites had formed a Provisional Government to take over in the event of final passage of the Home Rule Bill. Anti-Catholic riots in Belfast had added fuel to the fire, and there was drilling and arming of men in northern Ireland.

All of this belligerent activity in Ulster did not go unnoticed in Dublin, and the rest of Catholic Ireland. John Redmond found it more and more difficult to follow a policy of moderation, for organizations such as Sinn Fein¹⁶ and the Irish Republican Brotherhood were determined to meet the threatened force of Ulster with force. Though the Liberal Government was successful in Parliament in passing the Home Rule Bill through all its stages, it was impossible to stem the growing tide of opposition in Ireland itself.

¹⁵H. of C., July 31, 1912 (41 H.C.Deb., 5 s., pp.2132-2133.)

¹⁶An account of Sinn Fein activities is to be found in: H. B. C. Pollard, The Secret Societies of Ireland (London: 1919).

The Parliamentary session of 1912 ran over into the early months of 1913, and it was not until January 16th, 1913, that the Commons finally passed the Home Rule Bill through its Third Reading. The bill was then sent to the House of Lords on the same day, and two weeks later, the Lords, by a vote of 326 to 69, defeated the bill on its Second Reading. Lord Lansdowne indicated that the bill would receive the same treatment in the future from the Lords.

Have your Lordships forgotten what happened in the case of the Parliament Bill in 1911? We were encouraged to put Amendments into the Bill and we did so. How many of them came back? None. They were thrown back in our faces. My Lords, the Parliament Act is now the law of the land. Our duty is plainly indicated by the provisions of that measure, and I feel sure that your Lordships will not shrink from performing it.¹⁷

The Lords did not shrink, and their action made it clear that the Home Rule Bill could not become law before 1914. But this was not the only bill of this session which the Lords delayed through their use of the suspensory veto, left to them under the Parliament Act. The Disestablishment of the Church in Wales suffered the same fate at their hands.

Disestablishment of the Church in Wales

Second place on the Liberal legislative program for 1912 had been given to the Disestablishment of the Church in Wales. For over forty years there had been a growing agitation on the part of Welsh Nonconformists for disestablishment of the Church of England in Wales.

Ever since July 1869, when the bill to disestablish the Irish Church became law, the disestablishment and disendowment of the Church had been the dominant subject of political controversy in Wales, with Irish Home Rule in the second place,

¹⁷H. of L., January 30, 1913 (13 H.L.Dec., 5 s., p.798.)

and social and economic questions only slowly coming to the front.¹⁸

This issue, it is true, had dominated the thoughts of Welsh Nationalists for many years, and had been adopted as one of the major points in the Liberal Party's legislative program. It had figured prominently in the famous Newcastle Program adopted by the Liberals in 1892, and Lloyd George had become its leading exponent in the House of Commons. But it seemed that whenever a Liberal Government came into power, some other issue or event pushed Disestablishment into the background. In 1893, Asquith, at this time heading the Home Office, introduced a Suspensory Bill that would have paved the way for Disestablishment. But the debate over the Second Home Rule Bill occupied most of the Government's attention, and the bill fell by the wayside. The following year a bill calling for Disestablishment was introduced and it had passed its Second Reading by April 1895. Unfortunately for the Welsh Nationalists, the Liberal Government fell in June of that year, and there was no further opportunity for enacting such a measure until the Liberals returned to office in 1905.

In the interval between 1894 and 1905, however, other problems had greater priority in the Liberals program than did Disestablishment. The Education, Plural Voting and Trades Disputes Acts occupied most of Parliament's time during the session of 1906, and it was not until April 1909 that the Liberal Government got around to introducing a bill to disestablish the Church in Wales. Once again, this legislation was side-tracked, this time by the fight over Lloyd George's Budget of 1909. The Government was forced once

¹⁸Thomas Jones, Lloyd George (London: Oxford University Press, 1951), p.11.

again to abandon the measure, and it was not until April 1912 that the Welsh Nationalists were to see their pet piece of legislation back before the House of Commons.

In 1906, a Royal Commission had made a survey of the churches in Wales and Monmouthshire, and their findings, based on the year 1905, revealed that three-fourths of those persons who were religiously active belonged to Nonconformist sects, while only one-fourth belonged to the Established Church. Reginald McKenna, who introduced the bill for the Government, used these findings of the Royal Commission, along with the wholehearted support of the Welsh members in the Commons, to justify the disestablishment and disendowment proposed in the bill.

The four Welsh dioceses were to be separated from the control of the diocese of Canterbury, and all ecclesiastical jurisdiction and law was to be abolished so far as Wales and Monmouthshire were concerned. This severed the political connection between the Church and State in Wales, and as a result, the four Welsh Bishops would no longer hold their seats in the House of Lords. Though the Conservatives were opposed to Disestablishment, they fought most bitterly over those clauses in the act which disendowed the Church. It was proposed to strip the Church of all its endowments that were granted before 1662.

The Royal Commission estimated that in 1906 the Church in Wales received 260,000 pounds from endowment sources. Of this amount, some 173,000 pounds came from ancient Welsh sources, and the Church was to be divested of these funds. In the future, such funds were to be used for educational, charitable or public purposes in Wales; part of the funds to go to the University of Wales, and the

remainder to the local county councils in Wales.

The debate was filled with historical precedents cited on both sides of the House, and Lloyd George took particular pleasure in baiting Lord Hugh Cecil. The latter's family had benefitted greatly from the land grants given by the Crown when the Catholic Church had been disestablished in England. Said Lloyd George of this period:

At that date (1533). . . . about two-thirds at least of the property of the Church was taken away, more than my right hon. Friend is taking. What was done with it? Most of the property was given to laymen as bribes for selling their old faith. There are laymen now enjoying those endowments, and they are the people who when I tried to take a halfpenny in the Pound called me a thief.¹⁹

One of those laymen was Lord Hugh Cecil, and he had also been an outspoken opponent of Lloyd George's land taxes in the Budget of 1909. Thus, the Chancellor of the Exchequer thoroughly enjoyed this opportunity to chide those who had so bitterly attacked his Budget.

As in the case of the Home Rule Bill, the Disestablishment bill was finally carried through its Third Reading in the Commons by a substantial majority, but on February 13th, 1913, the House of Lords rejected it. Once again, this meant that the bill would have to be passed twice more by the Commons, under the terms of the Parliament Act, before it could become the law of the land. The First World War was to interrupt the coming into force of this act, and it was not until 1919 that Disestablishment and Disendowment took place, under slightly different financial arrangements.²⁰

¹⁹H. of C., April 25, 1912 (37 H.C. Deb., 5 s., p.1280.)

²⁰9 & 10 Geo. 5, Cap. 65: An Act to continue in office the Welsh Commissioners appointed under the Welsh Church Act 1914, to postpone the date of disestablishment and to make further provision with respect to the temporalities of, and marriages in, the Church in Wales.

Franchise and Registration Bill

There were slightly over 12 million adult males in Great Britain, over the age of twenty-one, in 1912. Of this number, approximately 7,984,000 were on the Registration lists, and thus eligible to vote. It was estimated that 575,000 of these nearly 8 million voters exercised the privilege of the Plural Vote, and therefore, the actual number of individuals entitled to the franchise was 7.4 millions.²¹

The franchise was determined by a multitude of complex statutes governing property qualifications for both local and Parliamentary elections. A major purpose of this bill in 1912 was to simplify the franchise and repeal most of the confusing legislation that had been enacted during the 19th century.²² No one under the provisions of the new act would be allowed to register or vote in more than one constituency, and qualification in the future would be based solely on residence or occupation. The value of property would no longer be a basis for the qualification of voters. The period of residence or occupation was reduced to a nation wide uniform period of six months, and the registration of voters was to be a continuous process instead of having just an annual registration. Peers were to be allowed a parliamentary vote in the future, but they were still barred from sitting in the House of Commons.

Not only did this act greatly simplify the law surrounding the franchise, but its effect would be to add some 2.5 million

²¹For a discussion of the franchise at this time, as well as the historical developments that changed the franchise, see: A. Lawrence Lowell, The Government of England (New York: The Macmillan Co., 1908), Vol.I, pp.195 ff.

²²Details of the Franchise Bill of 1912 can be found in: 39 H.C.Deb., 5 s., pp.1325 ff.

voters to the electorate. The loss of the plural vote would reduce the potential votes cast by over $\frac{1}{2}$ million, but this was more than compensated for by the addition of those who would be eligible to vote for the first time. All told, some 10 million adult males would be able to cast ballots in the next general election that followed the adoption of this statute. It is worth noting that, if such an act had included women over twenty-one years of age, 10 $\frac{1}{2}$ million women would have been eligible to vote in Great Britain under the terms of this bill.

For once, a major Government bill was lost, not because of the objections to it by the House of Lords, but due to the rules of Parliamentary practice and procedure in the House of Commons. It was a rule of that House, that if an amendment to a bill substantially altered the character of the bill, it was necessary to introduce a new bill incorporating the major changes brought about by the aforementioned amendment. Because of the disagreement within the Cabinet over the enfranchisement of women, Asquith had announced when the Franchise bill was introduced, that he would allow adequate time for debate and a free vote upon any amendment regarding the vote for women.

This decision made by Asquith, coupled with the Parliamentary rule of procedure mentioned above, was to prove the undoing of the Franchise bill. An amendment was moved to include in the act the extension of the franchise to women, and when the Prime Minister asked the Speaker for a ruling as to what effect this amendment would have on the status of the original bill, the Speaker replied:

If one of the Women Suffrage Amendments were to be inserted it would add to the electorate a very large class, and would establish an entirely new principle. In my judgement, leave

to introduce the Bill did not contain that principle, and that principle was not assented to on Second Reading. Therefore, I am driven to the conclusion that the Bill would, if altered by the insertion of a Women Suffrage Amendment, practically constitute a new Bill.²³

It was apparent from this statement of the Speaker that if the amendment was carried, he would rule that it changed the bill so much that a new measure would have to be introduced by the Government. As it was very late in the session, the ruling being made on January 27th, 1913, it meant that there would be no time left for the Government to re-introduce a new bill and pass it through all its stages before the session ended. Since the Prime Minister had given his word to the supporters of Women Suffrage that they should have an opportunity to amend the franchise bill, he was now confronted with the choice of either going back on his word and blocking any such amendment to the bill, or of allowing the amendment to stand and run the risk of having the bill wrecked.

Asquith chose to withdraw the bill, rather than follow either of the alternatives open to him. Withdrawing the bill on the same day as the Speaker's ruling, he announced that in the following session he would provide time for any Private Member's bill proposing the enfranchisement of women, but that the Government would not introduce or adopt such a measure as part of the Government's own program. As an opponent of this movement to enfranchise women, Asquith was not willing to give it official government backing, and this attitude on his part provoked great antagonism both inside and outside of Parliament.

The militant suffragettes, who had steadily increased their harassment of public officials, particularly from 1909 onward, now

²³H. of C., January 27, 1913 (47 H.C. Deb., 5 s., pp. 1021-1022.)

took more drastic action as the result of this defeat in Parliament over the amendment to the Franchise Bill. Asquith notes in his Memories and Reflections:

Now the agitation took on a far more serious phase They determined to engage in militancy of a kind that would produce the maximum effect compatible with the retention of their individual liberty for so long as possible. With this deliberate twofold intention the campaign of arson began.²⁴

This campaign of destruction and violence lasted throughout 1913 and 1914, until the outbreak of the World War.²⁵ But it was to no avail in so far as Asquith, and a majority of the members of the Commons were concerned. Only four months after the withdrawal of the Franchise bill, an act to provide the suffrage for women was defeated on its Second Reading in the Commons. The Liberal Government was still determined to abolish the plural vote, but they were not willing to support women's suffrage. The women would have to wait until the passage of the Representation of the Peoples Act of 1918, before they would win their fight for the vote.

With the withdrawal of the Franchise and Registration act, the Government sustained its third major loss of this legislative session. It was true that the Home Rule Bill for Ireland, and the Welsh Disestablishment Bill, appeared at this time to be only temporarily blocked by the House of Lords. Eventually they should become law under the terms of the Parliament Act, so the Liberals believed in 1912. They could not foresee the outbreak of war in 1914 which caused the suspension of these acts, thus canceling out most

²⁴H. H. Asquith, Memories and Reflections (Boston: Little, Brown & Co., 1928), p.262.

²⁵Detailed works on the suffragette movement include: E. Sylvia Pankhurst, The Suffragette Movement; An Intimate Account of Persons and Ideals (London: Longmans, Green & Co., 1931); Rachel Strachey, "The Cause"; A Short History of the Women's Movement in Great Britain (London: G. Bell, 1928).

of the time and effort that was put into these controversial bills before the war. At best, the Liberals were forced now to spend at least two more sessions of Parliament in passing the Home Rule and Disestablishment bills, because of the Lords' use of their suspensive veto. Other domestic legislation would have to wait.

One bill which the Liberal Government was successful in passing during this session of 1912-1913 was the Trade Unions Act. Ironically enough, this bill went a long way in insuring the ultimate success of the Labour Party.

Trade Unions Act of 1913

The Labour Party, and the trade unions, had waited four long years for legislation that would reverse the Osborne Judgement. It will be recalled that this decision²⁶ had severely restricted the trade unions by forbidding the use of their funds for political purposes. A bill to deal with this problem had been introduced in the 1911 session of Parliament, but it was dropped in the Committee stage. The bill²⁷ introduced in this session of 1912 was substantially the same as the measure dropped in the previous session, and since the latter bill had received the approval of the Commons on its Second Reading, there seemed to be a good chance that the new Trade Unions bill would be enacted in 1912.

Sir Rufus Isaacs, the Attorney-General, when introducing the bill said:

We think that combinations of men, of working people, joined together for the purpose of ameliorating the conditions of labor are entitled, as a necessary consequence, to take some part in

²⁶Supra., p.111.

²⁷2 & 3 Geo. 5, Cap. 30: An Act to amend the Law with respect to the objects and powers of Trade Unions.

the bill received the Royal Assent on March 7th, 1913. The House of Lords passed this measure without taking a division at any stage.

There can be little question that the reversal of the Osborne Judgement, brought about by the passage of the Trade Unions Act of 1913, was to give an ever increasing financial advantage to the Labour Party over its political rivals. As Ivor Bulmer-Thomas remarks:

None of the other parties to-day is able to tap such an easy, regular and substantial flow of income. In former days, when the low rate of tax left large monies in private hands, and there were positions of dignity and influence with which large contributors to party funds could be rewarded, and when moreover reasonable contributions to party funds were allowed as business expenses, the older parties were able to command much larger sources of income than the rising Labour Party; but to-day it is the Labour party which is in the envious position, and all other parties are sustained out of the heavily taxed income of individuals.³⁰

As Bulmer-Thomas indicates, the benefits of the Trade Union Act of 1913 were to increase for the Labour Party as taxes increased, but there were immediate benefits as well. The party was able to resume its organizational work and place more candidates in the by-elections, as well as building up their treasury for the fighting of the next general election. Though this was not to come until December 1918, the Labour Party was able to put more than 100 candidates into that election, largely due to the increased funds at its disposal.

The Liberals had given the Labour Party a blood transfusion, yet they had also antagonized the trade unions by their delaying tactics and the inclusion of the "contracting out" clause in this act. It was obvious that the Liberals hoped to curtail financial

³⁰ Ivor Bulmer-Thomas, The Party System in Great Britain (London: Phoenix House Ltd., 1953), pp.174-175.

political life, and more particularly that in some senses it is necessary that they should have Members of Parliament, and that they should be entitled to promote the candidature of Members and pay election expenses, and to take generally a part in the political life of the country.²⁸

It had taken the Liberals four years to reassert a principle which the trade unions had taken for granted since the passage of the Trade Unions Act of 1871. Not only had it taken the Liberals four years to act upon this union grievance, but the Government saw fit to restrict the principle. Trade unions were to be allowed to spend funds for political purposes, but they had to comply with certain conditions. Funds for political purposes were to be kept separate from general union funds, and no such funds could be set aside unless the majority of the trade union members had approved a resolution to create a "political" fund. In addition to these restrictions, any member of the union who did not wish to contribute to such a political fund could "contract out," i.e., declare his intention not to contribute money from his wages for union political activity. A union member who did this was not to suffer any disadvantage or be deprived of any union benefits.

The Labour Party, speaking for the trade union movement, protested most strenuously against the "contracting out" clause of the bill.²⁹ They wanted all members of a union to be subject to a political assessment if the majority of the members had voted for the creation of a political fund. But Asquith and the Cabinet were firm in their stand that no union member should be forced to support a political party or candidate whom he did not approve. All attempts of the Labour Party to amend the bill in this respect failed, and

²⁸H. of C., August 6, 1912 (41 H.C.Deb., 5 s., p.2977.)

²⁹For debate on this clause see 26 H.C.Deb., 5 s., pp.1073ff.

contributions to the Labour Party through this clause, but unfortunately for the Liberal cause, they missed an opportunity that would have even more effectively restricted political contributions by trade unionists. In 1927, a Conservative Government replaced the "contracting out" clause by a "contracting in" clause, i.e., a trade union member instead of signing a circular that he did not wish to contribute to a political fund, would have to sign a circular stating that he would contribute to such a fund. The effect of this change was dramatic, for within a year the number of trade unionists affiliated with the Labour Party dropped by over a million persons, and their financial contributions ceased to fill the central treasury of the party. When the Labour Party came into power in 1945 they immediately interchanged these clauses, and within two years, trade union contributions to the party doubled. Says R. T. McKenzie:

It seems fairly clear from these figures that the contracting-out arrangement is worth between one and one and a half million members to the Labour Party. There could hardly be more convincing evidence of the lack of significance attached to their Labour Party membership by a large proportion of those who are affiliated through their trade unions.³¹

This statement points up the tenuous relationship between the trade unions and the Labour Party, and this affiliation between the two was much weaker in 1912 than it was in 1927. Had the Liberal Government adopted the "contracting in" principle, it would appear that the Labour Party might not have been able to survive the blow. At least it would have given the Liberals a distinct financial advantage over the Labourites.

Once again the Liberals had demonstrated their lack of a consistent policy towards the Labour Party and the trade unions

³¹R. T. McKenzie, British Political Parties (London: William Heinemann Ltd., 1955), p.484.

which supported that party. Hoping to appear as the champion of the labor movement, the Liberal Government had enacted the Trade Union Act of 1913, and yet, fearing too great a display of political independence by the trade unions, the Liberals had delayed passage of the legislation, and included restrictive clauses greatly disliked by the unions. A wiser course for the Liberals would seem to have been that of either reversing the effects of the Osborne Judgement immediately, and with no restrictions on union funds, or of adopting an even more restrictive measure such as "contracting-in." Immediate action by the Liberals to reverse the Osborne Judgement would have greatly mitigated the ill-feeling created between the unionists and the Liberals by the latter's delaying tactics. Writing of the legal attacks upon the unions in this period, the Webbs noted that, "Politically, the result was to exasperate the active-minded workmen, and greatly to promote, though with some delay, the growth of an independent Labour Party in the House of Commons."³² Liberal indecision fostered a great deal of this discontent.

Had the Liberal Party, on the other hand, been agreed to a united anti-Labour Party policy, a more restrictive Trade Unions Act, such as that adopted by the Conservatives in 1927, could have been passed that would have greatly diminished the electoral potential of the Labour Party. Without funds, that party stood little chance of greatly increasing its representation in the Commons. The course adopted by the Government lost this tactical advantage for the Liberal Party, as well as greatly diminishing Liberal prestige in the trade union movement. Liberal prestige was to suffer another

³² Sidney and Beatrice Webb, The History of Trade Unionism (London: Longmans Green & Co., 1920), p.632.

blow in 1912 as the result of the "Marconi Incident."

The Marconi Incident

The political careers of Lloyd George, Chancellor of the Exchequer, Herbert Samuel, Postmaster-General, and Sir Rufus Isaacs, Attorney-General, were nearly ended by the Marconi scandal of 1912-1913. The affair started early in 1912 when the Marconi Company was asked to submit a bid for the erection of State owned wireless stations throughout the British Empire, to be used primarily for purposes of national defense. The Postmaster-General, Herbert Samuel, accepted the tender made by the Marconi Company, subject to Parliamentary approval. The agreement was formally signed on July 19th, 1912.

Rumors then began to be circulated that a number of Ministers had unduly influenced the acceptance of the bid, based primarily on the fact that the Attorney-General's brother, Godfrey Isaacs, was the managing director of the Marconi Company in Great Britain. It was rumored that having advance knowledge of the contract's approval, certain Ministers had purchased shares of Marconi stock with the hope of making a large profit. Sir Rufus Isaacs and Lloyd George were mentioned most frequently as having made large gains from their advance knowledge.

To quell these rumors, the Liberal Cabinet called for the creation of a Select Committee on October 11th, 1912, to investigate the entire matter.³³ Unfortunately for those involved in the affair, and the Liberal Government as well, Sir Rufus Isaacs and Lloyd George failed to mention in the debate which followed in the

³³For the circumstances surrounding the establishment of this committee see 42 H.C.Deb., 5 s., pp.667 ff.

Commons that they had purchased shares of stock in the Marconi Company of America, which was not financially connected with its counterpart in England. This fact came out when Herbert Samuel and Sir Rufus Isaacs, in February 1913, brought a libel action against the French newspaper *Le Matin*. Isaacs made this admission in his testimony which he had neglected to tell the House of Commons three months earlier. This disclosure brought the Conservative Press in Great Britain out in full cry. Certainly, the press declared, something must be wrong when the Attorney-General tried to hide all of the facts from the Commons, and since Lloyd George had purchased a large number of shares from Isaacs, he must be guilty of something as well.

In June 1913, the Select Committee gave its report clearing all parties concerned of any collusion in the stock transactions. Five days later, when this Report was debated in the House of Commons,³⁴ the Ministers involved expressed their regrets for their indiscretions, and a Vote of Censure moved by the Opposition was defeated. The episode was closed, but not forgotten. Herbert Samuel, writing of Sir Rufus Isaacs' part in the affair, commented that "After he became Lord Chief Justice, I never heard him refer to the Marconi Episode again. It was as if he had determined to blot out of his memory so harrowing and so embittering an ordeal."³⁵

Asquith was deeply disturbed by the affair and referred to it as one of the most painful personal trials of his political career. The fiery Welshman, Lloyd George, was not soon to forget and forgive those of the Opposition who attempted to discredit his en-

³⁴⁵⁴ H.C. Deb., 5 s., pp. 391 ff.

³⁵ Viscount Samuel, Memoirs (London: The Cresset Press, 1945), p. 77.

tire political career over the Marconi affair. Defending himself in the Commons, he said:

I am conscious of having done nothing which brings a stain upon the honour of a Minister of the Crown. If you will, I acted thoughtlessly, I acted carelessly, I acted mistakenly, but I acted innocently, I acted openly and I acted honestly The charge has been exploded, but the deadly afterdamp remains.³⁶

How openly he had acted was to be seriously questioned. As a result of his involvement in this incident, Lloyd George lost prestige within his own party, and with the working classes as well. A dabbler in the stock market was not likely to retain his popularity with the labor movement.

The Liberal Party could not escape the taint of corruption which had fallen on three of the Government's Ministers. This fact, coupled with the manner in which the coal strike, Home Rule and Trade Unions Act had been handled, caused a further deterioration in the political position of the party. The political market for Liberals, and Liberal policies, was dropping rapidly, and it was to continue apace during the year 1913.

³⁶Thomas Jones, Lloyd George (London: Oxford University Press, 1951), p.45.

CHAPTER IX

THE LIBERAL PARTY HEADED FOR DISASTER

The Parliamentary session for 1912 was not prorogued until March 7th, 1913, and three days later, the legislative session for 1913 was opened. The session was to be a short one as indicated in the King's Speech. "In view of your arduous labours during the past year the further legislation which you will be invited to consider will necessarily be restricted within narrow limits."¹ Besides the mentioning of Home Rule and Welsh Disestablishment of the Church, there were very few other measures that the Government proposed to enact during 1913. It was planned to introduce bills dealing with land purchase in Ireland, care of the feeble-minded, plural voting and national education, but the main effort of the Government apparently was going to be directed to pushing through the two most controversial bills of the previous session.

But before turning to these major issues of the session, let us look at the minor measures of legislation that the Liberal Cabinet presented to the Commons for its consideration. Once again, the failures were more common than were the Liberal successes.

The Franchise

The Liberal Government continued to attempt to complete the democratization of the electorate in Great Britain. Two bills, the Plural Voting bill and the Representation of the People (Women) bill, were introduced in this session. The former was a Government bill backed solidly by the Cabinet and the vast majority of Liberals, while the latter was a Private Members bill that lacked the

¹H. of C., March 10, 1913 (50 H.C.Deb., 5 s., p.11.)

backing of the Government.

Having lost the Franchise and Registration Bill, because of the Speaker's ruling on the Women Suffrage amendment, the Cabinet decided to bring in a bill that called for only the abolition of one of the anomalies in the franchise system, namely, the plural vote. By doing this, a great deal of time could be saved by cutting Parliamentary debate to a minimum. By restricting the bill to just one aspect of electoral reform,² the Government not only drew upon itself the heated criticism of the Unionist Party, but also strong opposition from a number of members of the Labour Party.

Philip Snowden was particularly hostile to the Government's proposal on this occasion. He pointed out that there were 35,000 registered electors in the constituency in which he resided, while in Whitechapel there were only 4,000 registered voters. For Snowden, these voters in Whitechapel were just as much plural voters as those persons who were entitled to vote in more than one constituency. Redistribution of seats was just as important to him, as the abolition of the plural vote. Said Snowden:

This Bill is just a specimen of the Liberal legislation which has been passed ever since I can remember. Who is responsible for plural voting as it exists to-day? Why, the Liberal party. If they did not establish it, at any rate they perpetuated it, and aggravated it enormously by the Franchise Act of 1884.³

What this future Chancellor of the Exchequer was really decrying was the under-representation of urban areas, particularly

²The problems of Parliamentary representation, and questions of electoral reform are discussed in: S. R. Daniels, The Case for Electoral Reform (London: G. Allen & Unwin Ltd., 1938); J. F. S. Ross, Parliamentary Representation (rev. ed.; London: Eyre & Spottiswoode Ltd., 1948).

³H. of C., April 30, 1913 (52 H.C.Deb., 5 s., p.1248.)

those that contained large numbers of working class voters. This is a complaint heard quite frequently in the United States today because of the over-representation of rural areas, both in the state and federal legislatures. But Snowden's objections in 1913 to the Government's bill were brushed aside on the grounds that there was not adequate time for the consideration of a complex redistribution scheme. The bill passed through all its readings in the Commons, but was rejected by the House of Lords. By making use of the terms of the Parliament Act, the Government could abolish plural voting by re-passing the bill twice more, but this meant that it could not come into operation until 1915, at the earliest.

However, as with the other major reforms proposed by the Liberals at this time, electoral reform was to be postponed until the conclusion of the World War. Although the electoral reforms carried out in 1918, and in 1948-1949, went a long way in abolishing the unequal number of electors in the various constituencies, of which Snowden complained in 1913, it was still true in 1950 that the rural counties were over-represented in the House of Commons. In 1950 there were approximately 52½ thousand voters in the average rural constituency, while there were 56½ thousand in the urban districts. Even though these figures reveal a slight over-representation of the country districts, it is a far cry from the days of the "rotten borough," when a member of the Commons might be elected by a mere handful of people.

The attempt to pass a Women's Suffrage bill also failed in this session. The bill was introduced as a Private Member's bill by W. H. Dickinson, and as he had promised, the Prime Minister gave the

bill adequate time in the House of Commons.⁴ The bill was limited in its scope, proposing to enfranchise between four and five million women voters on a basis of "household" franchise, i.e., to women who occupied a separate dwelling house, whether they were married, single or widowed. The supporters of the bill were willing to limit its scope because of the fact that all of the adult males in Great Britain had not yet received the franchise, while the opposition argued that this was a good enough reason for not extending the franchise to women at all. A good deal of humor pervaded the debate on Second Reading as illustrated by the remarks of J. A. Grant in opposition to the bill.

Let me in conclusion put one more argument. . . . the argument that men have the vote and the power at the present moment; I say by Heaven's sake let us keep it. . . . A clever woman said to me the other day, 'if at the most critical period of a woman's life she has not got the sense to say no to the man who proposes to her, how can you expect her to have the sense to give a vote on a great Imperial question?'⁵

Despite the general good natured character of the debate, Asquith still remained firmly entrenched in his belief that women should not receive the right to vote. He could see no justification for the act on the basis of theoretic democratic principles, or for more concrete and practical reasons which were brought forward that suggested that women needed direct representation in Parliament. The Prime Minister felt that women had been most adequately represented in Parliament, and that their rights had not suffered because they lacked the franchise.

It was not until after the women of Great Britain had contributed so much to the war effort, during World War I, that Asquith

⁴For Asquith's position with regard to Women's Suffrage see Spender and Asquith, op. cit., Vol.I, pp.358 ff.

⁵H. of C., May 5, 1913 (52 H.C.Deb., 5 s., pp.1738-1739.)

changed his position on this issue, and he then completely reversed his stand. But in 1913, he was still firmly opposed to the franchise for women, and when the vote came on the bill's Second Reading it was defeated by a vote of 266 to 219.

Education, Temperance and Land Reform

In an effort to pave the way for a comprehensive reform and expansion of the educational system in Great Britain, the Liberal Government introduced a one-clause bill in the legislative session of 1913 to extend the system of grants-in-aid to local educational authorities. The Cabinet, in framing this revision, deliberately avoided the religious issue with regard to education, in order to avoid a renewal of the bitter fight that had ruined previous Liberal legislation in this field.

This bill, entitled Education (No.2) Bill, repealed two sections of the Education Act of 1870⁶ which had severely restricted the granting of financial aid to the local units of government by Parliament for certain educational purposes. In particular, one of these clauses prohibited Parliament from giving financial assistance for building, enlarging, improving or furnishing any elementary school. Such construction was to be paid for by local ratepayers. The repealing of this clause would enable Parliament to give substantial aid to education through national tax resources. J. A. Pease, President of the Board of Education, indicated that if the bill was passed, the money he would request from Parliament would be relatively small in amount.⁷ However, it was clear that the Govern-

⁶ 33 & 34 Vict., Cap. 75: An Act to provide for public Elementary Education in England and Wales.

⁷ See Pease's speech to the Commons H. of C., July 22, 1913 (55 H.C. Deb., 5 s., pp. 1909 ff.)

ment intended to seek much larger sums in the immediate future for secondary education.

Great strides had been taken to improve the elementary educational system, but secondary educational facilities were far from adequate. The Educational Acts passed by Parliament between 1870 and 1902,⁸ had done a great deal to extend elementary education to the masses of children of all classes, including the adoption of the principle of universal compulsory attendance of children in school by the Education Act of 1880.⁹ But a completely integrated system of national education had not been attained as of 1913. Said J. A. Pease, "The defects of our so-called national system are two. It is not national and it is not a system."¹⁰

The Liberals had failed to settle the question of the denominational schools in the Education bill of 1906, although they did manage to enact a bill in that year which allowed local educational authorities to provide meals for children in elementary schools.¹¹ But the Liberal Government had not been able to make any great advance in the area of secondary education. Thus it was the intention of the Liberals to make the Education bill of 1913 the first step in a comprehensive reform. The President of the Board of Education informed the Commons that once the Education bill of 1913 had been

⁸ This act, 2 Edw. 7, Cap. 42, abolished the old school boards and placed the control of elementary education in the hands of local government councils.

⁹ 43 & 44 Vict., Cap. 23: An Act to make further provision as to Bye-laws respecting the attendance of children at school under the Elementary Education Acts.

¹⁰ 55 H.C. Deb., 5 s., p. 1910.

¹¹ 6 Edw. 7, Cap. 57: An Act to make provision for Meals for Children attending Public Elementary Schools in England and Wales.

passed, it was the intention of the Government to introduce in the following session a measure that would place an obligation upon all county and county borough councils to provide a completely integrated system of both elementary and secondary education. This reform, as well as the Education Bill of 1913, was not to be enacted by this last Liberal Administration. The bill for 1913 had been introduced so late in the session, that it passed only the First Reading before the session was prorogued. Introduced in the following session, the bill got no farther, so that when the war broke out in August 1914, the Liberals had left unsolved the fundamental problem of secondary education in Great Britain. The Conservative Party could still claim the honors for having wrought the greatest reform in the educational system through their Education Bill of 1902.

With such a short session of Parliament, lasting only from March through August, the Liberals had little time for the consideration of many bills. However, they once again renewed their attack on the liquor trade. Lacking time for the consideration of a measure as comprehensive as the Licensing bill which had been lost in 1908, the Government introduced a bill that was confined to Scotland. This Temperance Bill for Scotland, to become effective in June 1920, was to provide the local authorities in Scotland with the power to curtail liquor sales through the use of the so-called "Local Veto." Under the terms of this act, electors were to have the right to petition the local authorities to conduct a poll, within the community, so that the attitude of the voters might be expressed with regard to the local laws governing the liquor trade. The voters were to be given three alternatives in any such poll: i.e., that there should be no change in the licensing laws of the

community; that there should be greater restriction of licenses; or that there should be a total abolition of the liquor trade in the area.

Besides satisfying the "temperance" group within the party, the Liberals had good reason for curtailing the liquor trade whenever the opportunity arose. The reason being that the main financial support for the Conservative Party came from this trade.¹² The issue had never been a very popular one with the electorate. Writing of the Liberal Attempt in 1895 to pass a national Local Veto bill, J. A. R. Marriott notes:

To the brewers and publicans this appeared to spell confiscation; the working man who liked his glass of beer regarded it quite reasonably as class legislation. Thoughtful temperance reformers complained that Harcourt (Liberal Chancellor of the Exchequer). . . . appeared 'more anxious to punish the publicans than to reclaim the drunkard.'¹³

Since the Temperance bill of 1913 was restricted to Scotland, and was not to become effective until 1920, Conservative opposition to the bill was negligible. The House of Lords amended the bill in several minor respects which the Liberal Government was willing to accept, and the bill received the Royal Assent before the end of the session. This marked the end of the Liberal Party's attempt to reform the liquor trade. Almost all of their attempts had ended in failure, consumed many days of Parliamentary debate, and had on the whole been unpopular with the general public. The record indicates that it would have been politically wiser for the Liberal Party to drop the "temperance" issue altogether, or at least avoid

¹²For the connection between the liquor trade and the Conservative Party see Elie Halévy, A History of the English People in the Nineteenth Century, Vol.V, Imperialism and the Rise of Labour (London: Ernest Benn Ltd., 1951), pp.381 ff.

¹³Marriott, op. cit., p.67.

it at times when they knew they could make little progress with it, such as in 1908.

One further bill deserves consideration before turning to the major pieces of legislation in this session. Under various Land Acts,¹⁴ prior to 1903, nearly 25 million pounds had been provided for the purchase of land in Ireland for tenant farmers. The Land Acts of 1903 and 1909¹⁵ had provided an additional 100 million pounds for the same purpose, so that by 1913 it was estimated that the Land Purchase program was about two-thirds completed. In the Parliamentary session of 1913, Augustine Birell, Chief Secretary for Ireland, told the Commons that it was the Government's intention to complete this land purchase program under the terms of the bill he was going to introduce.

Under the terms of the Land Purchase Act of 1909, landlords were reimbursed for the lands which they sold by payments half in cash and half in Land Stock. To complete the program Parliament would have to authorize an additional 61 million pounds. But there was serious objections from both the landlords and prospective tenants to the Government's bill of 1913. The landlords objected to being paid in Land Stock for they received less interest on this stock than they could receive from other investments if they were paid cash for their lands. The Irish Nationalists, speaking for prospective tenants, objected to the increase in annual payments for

¹⁴For a history of the land problems in Ireland see John E. Pomfret, The Struggle for Land in Ireland, 1800-1923 (Princeton, Princeton University Press, 1930).

¹⁵3 Edw. 7, Cap. 37: An Act to amend the Law relating to the occupation and ownership of Land in Ireland and for other purposes relating thereto and to amend the Landowners' (Ireland) Act. (1903) and 9 Edw. 7, Cap. 8: An Act to amend the Law relating to the Occupation and Ownership of Land in Ireland and for other purposes relating thereto.

land purchasers, and claimed that the payment in Land Stock discouraged the landlords from voluntarily selling the lands. This would greatly delay the completion of the program. The objections being so strong and numerous, and the bill having been introduced so late in the session, combined to kill any prospects of the bill's passage in this session. After the prorogation of Parliament on August 15th, 1913, the Government attempted to find some common ground upon which the landlords and tenants could agree, but this effort was fruitless.

But the *raison d'etre* of the Parliamentary session of 1913 was not to solve the Irish land problem. The primary purpose of this session, in so far as the Liberal Government was concerned, was to pass the Home Rule Bill for the second time under the terms of the Parliament Act. The bill for the Disestablishment of the Church in Wales was also due for its second passage in this session.

Home Rule and the Disestablishment of the Church

"The history of domestic politics during the whole of 1913 and the greater part of 1914 is little more than a record of futility."¹⁶ This statement by Lord Newton aptly characterized the events surrounding the Home Rule issue. The Parliamentary session of 1913 indeed was hardly more than a mere formal gathering, brought together so as to comply with the constitutional requirements of the Parliament Act that a bill must be passed in three successive sessions to override the Lords' suspensive veto. This was the intermediate stage for the Home Rule Bill, and neither side was prepared to concede any point at this time.

¹⁶Lord Newton, Lord Lansdowne; A Biography (London: Macmillan & Co. Ltd., 1929), p.435.

The Liberal Government was determined to jam the bill through as quickly as possible, and within two months, from its introduction on May 7th to the passage of the Third Reading on July 7th, the Home Rule Bill was only one step away from becoming the Law of the Land. Unionist opposition to the measure was as vehement as it had been in the previous session. Said Sir Edward Carson on the bill's Second Reading:

. . . . we think that your attempted betrayal (Of Ulster) is one of the most dastardly acts that has ever disgraced the pages of history. You may be able--I know you will be able, if you are allowed to do it, but you will not--to put us down by sheer force. You can seize arms, but you cannot destroy spirit or determination. . . . you are crying peace when there is no peace. You know it, and you will fall.¹⁷

Carson spoke with the authority of the entire Unionist Party behind him, including the Opposition's leader in the Commons, Bonar Law.

One of Mr. Bonar Law's messages to Sir Edward Carson read, 'Whatever steps you may feel compelled to take, whether they are constitutional, or whether in the long run they are unconstitutional, you have the whole Unionist Party, under my leadership, behind you.'¹⁸

The intentions of those opposed to the Home Rule Bill could not have been made clearer. Only three days before the introduction of the bill in 1912, over 75,000 Ulster Volunteers had paraded in Belfast before Sir Edward Carson and Bonar Law! And yet, Asquith persisted in pushing the bill through the Commons in spite of the ever rising hostility of the Conservatives and the people of Ulster.

It is difficult to understand Asquith's persistence in following a course of action that, from its inception in 1912, threatened to end in political anarchy and civil war in Ireland. His

¹⁷H. of C., June 10, 1913 (53 H.C.Deb., 5 s., pp.1474-1475.)

¹⁸R. J. Cruikshank, The Liberal Party (London: Collins, 1948), pp.40-41.

actions become even more difficult to understand when one considers his position as a founder of the imperialistic Liberal League. In 1902 Asquith had said:

Is it to be part of the policy and programme of our party that, if returned to power, it will introduce into the House of Commons a Bill for Irish Home Rule? The answer, in my judgement, is No. And why? . . . because the history of these years . . . has made it plain that the ends which we have always had . . . can only be attained by methods which will carry with them, step by step, the sanction and sympathy of British opinion. To recognise facts like these is not apostasy; it is common sense.¹⁹

It is hard to believe that Asquith spoke these words when they are contrasted with his actions in 1912 and 1913. He certainly was not heeding a large portion of British opinion, and that of Ulster, in forcing the Home Rule bill on all of Ireland. It is true that the Prime Minister had to heed the demands of the Irish Nationalists in 1912-1913, for they had the power to turn the Government out of office. But, on the other hand, to have done so would have meant the loss of any kind of Home Rule for Ireland. Asquith was therefore in a position where he could have made reasonable concessions on the Ulster problem, but he was not to do this until the very last minute.

Winston Churchill writes:

From the earliest discussions on the Home Rule Bill in 1909 the Chancellor of the Exchequer (Lloyd George) and I had always advocated the exclusion of Ulster on a basis of county option or some similar process. We had been met by the baffling argument that such a concession might well be made as the final means of securing a settlement, but would be fruitless till then.²⁰

When the concession was made, as will be seen in the follow-

¹⁹Spender and C. Asquith, op. cit., Vol.I, p.114.

²⁰Winston S. Churchill, The World Crisis, 1911-1918 (abridged and rev. ed.; London: Thornton Butterworth Ltd., 1931), p.104.

ing chapter, it was too late. The seriousness of the Government's position apparently did not strike Asquith until the autumn of 1913. Attempts were finally made to secure some sort of compromise on the Ulster problem.

From October through December, the Prime Minister met on several occasions with Bonar Law, John Redmond and Sir Edward Carson.²¹ In the course of these discussions, various proposals for allowing Ulster exclusion from the terms of the Home Rule Bill were discussed. By the middle of December, it was apparent to the participants in these private interviews with the Prime Minister, that none of them could persuade their followers to accept any of the compromises that had been suggested. Events were moving too swiftly to allow any dispassionate approach to the problem.

Several of the Unionist leaders, including Bonar Law, Arthur Balfour and Lord Lansdowne, went so far as to suggest that the King might refuse the Royal Assent to the Home Rule Bill.²² For Asquith, such an action on the part of the King would have been wholly unconstitutional, but fortunately for the English monarchy, King George V maintained a neutral and conciliatory attitude throughout the Irish crisis of 1913-1914. However, the mere suggestion that the King refuse the Royal Assent further demonstrates the lengths to which the Opposition was prepared to go to block Home Rule.

²¹For the various positions taken in these conferences see: H. A. Taylor, The Strange Case of Andrew Bonar Law (London: Stanley Paul Ltd., 1934); Ian Colvin, The Life of Lord Carson (3 vols.; London: Gollancz, 1934, 1936); Dennis Gwynn, The Life of John Redmond (London: Harrap, 1932).

²²For A. V. Dicey's justification of such a course of action see: Sir Ivor Jennings, Cabinet Government (2nd. ed.; Cambridge: University Press, 1951), pp.536 ff.

It is small wonder that the citizens of Ulster, backed wholeheartedly by the Unionist Party, were prepared to fight Home Rule with any weapon at hand. They also secured further support from within the ranks of the British Army. Sir Henry Wilson, Director of Military Operations in the War Office, actively aided the Ulster cause throughout 1913 and 1914.²³ He consulted with the leaders of the Unionist Party, and traveled to Ulster to survey the preparations for armed resistance to the enforcement of Home Rule. This was a most unconstitutional course of action for an army officer to take who owed allegiance to the Government, whether it be Liberal or Conservative. Though the final crisis involving the Army in Ireland did not come until March 1914, the seeds of revolt were sown in 1913. Unrest was growing in the army ranks, and in December 1913, Colonel J. E. B. Seeley (Secretary of State for War) instructed army commanders in England, Scotland and Ireland, to be prepared for the eventual use of troops in Ulster if the Home Rule Bill should be resisted by force of arms. The situation was deteriorating.

Asquith must take the greatest share of the blame for placing the Government, and his party, in this desperate situation.

Had the prime minister looked the issues fairly in the face, he might early have come to two clear conclusions. The first was that it was out of the question to impose home rule on the Ulster protestants. . . . Secondly he should have taken immediate steps to make the organization of 'private armies' in Ireland illegal and to put them down.²⁴

Asquith did neither of these things before it was too late

²³For Wilson's role in the Home Rule issue see: Sir C. E. Callwell, Field-Marshal Sir Henry Wilson (2 vols.; London: Cassell & Co. Ltd., 1927).

²⁴R. C. K. Ensor, England, 1870-1914 (Oxford: The Clarendon Press, 1936), p.453.

for really effective action. Procrastination and timidity on the part of the Prime Minister was bringing his party closer to the brink of catastrophe. It was difficult to see how civil war in Ireland could be avoided after the events of 1913.

Though Home Rule had dominated the legislative session, the Liberals managed to pass the Disestablishment of the Church (Wales) Bill for the second time under the Parliament Act. The Lords rejected the bill once again, but it now needed only one more passage by the Commons to become law. This prospect failed to raise any great enthusiasm, inside or outside of Parliament, except amongst the Welsh M.P.'s and their constituents.

There was indeed very little for Liberals to be enthusiastic about as 1913 came to a close. The prospects for peaceful settlement in Ireland seemed very remote, and there were warnings of new labor troubles. The road looked far from being smooth for the Government in the forthcoming legislative session.

CHAPTER X

THE END OF THE LIBERAL ERA

Labor Problems

Home Rule was not to be the only problem that plagued the Liberal Government during the year 1914. During 1913, the nation, and the Liberal Government, had almost completely forgotten the labor unrest of the years 1911 and 1912. No single strike in 1913 threatened the nation as had the railway and coal disputes of the preceding years. But the statistics revealed that there had been nearly 1500 smaller strikes, involving over a million workers, in what appeared to be on the surface a relatively peaceful year in the labor movement.¹ This was an all time high in Great Britain for numbers of disputes in a single year! What was the Government doing to cope with this situation?

In June 1912, the Industrial Council, which had been formed within the Board of Trade in 1911, was asked to investigate the entire field of management-labor relations and make recommendations as to how industrial disputes could best be handled. One year later the Council issued its report.² The Government's response to this report was apathetic.

. . . . when the report of the Industrial Council was presented. . . . the Government did nothing. The crisis was passed, opportunistic policy no longer made it important to fulfill promises, nothing was done except shelving the report by reference to the Trade Union Congress, and the Government went forward with no labour policy at all.³

¹See Report on Strikes and Lock-Outs. Board of Trade (Department of Labour Statistics), p.x, 1914.

²The Industrial Council. Report of Inquiry into Industrial Agreements, 1913.

³Askwith, op. cit., p.235.

Such was the attitude of the Liberal Government towards the labor unrest of 1913. Once the coal strike had been settled, the Liberals relapsed into their old policy of letting things take care of themselves. While the Government was engrossed in the Home Rule Bill, active trade unionists were busy preparing for an even greater assault upon employers.

Commencing about 1911, there had been a growing movement within the labor unions towards amalgamation and federation.⁴ This movement gained great impetus during 1913 by the formation early in that year of the National Union of Railwaymen, which brought together three separate unions of railroad workers into one large organization.⁵ In December of the same year, an alliance was proposed between the Miners' Federation, the Transport Workers' Federation and the newly created National Union of Railwaymen, the alliance becoming known as the Triple Alliance. Six months later, in June 1914, the alliance became a reality when the three unions involved established a joint central council to coordinate the activities of the three organizations.

The formation of the Triple Alliance in 1914 posed a new and greater threat to the Liberal Government. Shortly after the formation of this new group, its leaders announced that all of their members would strike on December 1st, 1914, unless the railway companies were prepared to settle the grievances of the railway workers. Such a strike of these combined forces would totally paralyze the nation's economic system. The Liberal Government was saved

⁴For a discussion of this trend see Sidney and Beatrice Webb, op. cit., pp. 546 ff.

⁵See G. D. H. Cole and W. Mellor, The Greater Unionism (London: Labour Publishing Co., Ltd., 1913).

from this unhappy prospect by the outbreak of war. Had the war not intervened, the Liberals might well have found themselves faced not only with civil war in Ireland, but also with the most serious labor dispute the nation had ever witnessed.

That the trade unions had become a powerful force in the community was evident from the statistics. Between the years 1906 to 1914, trade union membership had risen from 2.1 millions to 3.9, and during the same period, trade unionists affiliated with the Labour Party had risen from 975,000 in 1906 to 2 million by 1915.⁶ Not only were their numbers greatly increased, the movement towards amalgamation and federation was greatly enhancing their effectiveness in the struggle with management. Although they had not won everything they sought in the disputes of 1911-1913, the trade unions had adequately demonstrated their immense power that was capable of creating havoc in the economic life of the nation. And through all of these developments, the Liberals had failed to formulate any clear course of action, or policy, to cope with the industrial chaos that resulted.

The economic situation of the working classes had changed relatively little from that described in Chapter VI. Lloyd George might tell the Commons in 1913 that:

Trade is at its best, unemployment is at its lowest, wages are at their best, profits are at their highest, home and overseas trade have attained dimensions they have never yet approached, and the business, commerce, and industries of this country enjoy a productivity and a prosperity which have rarely been witnessed in the history of this country.⁷

⁶For statistics on trade union membership and Labour Party affiliations see George Herbert Perris, The Industrial History of Modern England, (London: Kegan Paul, Trench, Trubner & Co. Ltd., 1914), pp.558 ff. and G.D.H.Cole, British Working Class Politics (London: Routledge & Kegan Paul Ltd., 1941), p.306.

⁷H. of C., April 22, 1913 (52 H.C.Deb., 5 s., p.282.)

But this did not give a true picture of the wage earners position in relation to other elements of the nation's economy. It was true that money wages had risen slightly, the average yearly earnings for 11 million male workers having risen from 56 pounds 1 shilling in 1906 to 57 pounds 4 shillings in 1911.⁸ The rise in prices more than wiped out this gain in money wages.

Despite the introduction of such innovations as the graduated income tax, super-tax on higher incomes, increased death duties, Old Age Pensions and National Health Insurance, the distribution of national income showed practically no change between 1880 and 1913.⁹ The Liberal Government between 1906 and 1914 had done little or nothing to raise the standard of living for the vast majority of working class people. Legislation such as the Trade Boards Act, Old Age Pensions Act and Coal Mines (Minimum Wage) Act, had only aided the very worst off in the community. With reluctance and reservations, the Liberals had passed the Trade Disputes Act and Trade Union Act. Armed with these weapons, the labour movement proceeded to seek what they felt was their fair share of industrial profits through direct action.

On the eve of the First World War it was apparent that the Liberals had failed in two respects with regard to the working classes of Great Britain. They had failed to satisfy through their reforms the demands of the working classes for a better standard of living. And secondly, when industrial unrest broke out, the Liberals were at a loss as to how it could be appeased and directed into

⁸ See Arthur L. Bowley, The Division of the Product of Industry (Oxford: The Clarendon Press, 1919), pp.27 ff.

⁹ See Arthur L. Bowley, The Change in Distribution of the National Income 1880-1913 (Oxford: The Clarendon Press, 1920), pp.25 ff.

more peaceful channels. With the formation of the Triple Alliance of trade unions, the Government was faced with the most serious labor problem that had ever confronted an English government. The situation in Ireland was even worse.

Liberal Failure with Home Rule

The King's Speech, which formally opened the Parliamentary session for 1914 on February 10th, clearly indicated the Government's major concern for this session.

I regret that the efforts which have been made to arrive at a solution by agreement of the problems connected with the Government of Ireland have, so far, not succeeded. In a matter in which the hopes and the fears of so many of My subjects are keenly concerned, and which, unless handled now with foresight, judgement, and in the spirit of mutual concessions, threatens grave future difficulties, it is My most earnest wish that the good will and co-operation of men of all parties and creeds may heal dissensions and lay the foundations of a lasting settlement.¹⁰

This plea for moderation dominated the entire Speech from the Throne, and the other measures mentioned in the speech were of a decidedly minor character in comparison. Bills were mentioned that called for further reforms in education, housing, citizenship within the Dominions and the judicial system. There was no indication in the speech that the Government anticipated any serious international crisis in 1914, in fact, it appeared at this time that the situation in the Balkans was greatly improved, and the threat of war amongst the major European powers had subsided. This, of course, is not to imply that there were not great tensions in the relations of these powers in early 1914, but the threat of immediate conflagration appeared more remote for the moment.

But in Ireland, the conflagration seemed to draw nearer

¹⁰ H. of C., February 10, 1914 (58 H.C.Deb., 5 s., p.52.)

every day, and Asquith was forced to use all of his Parliamentary skills to avoid the threatened catastrophe. Despite all of his efforts, and those of his Cabinet, Ireland was brought to the brink of civil war, and only the outbreak of a greater war saved Ireland from this fate.

On The Brink Of Disaster

On March 5th, 1914, the Home Rule Bill, and the Established Church (Wales) Bill, were both introduced for the third and last time. With their passage in this session, both bills would become law under the terms of the Parliament Act of 1911. The Unionist Opposition was not in a position to block the passage of either of these bills in the House of Commons, however, they had reached the point, with regard to Home Rule for Ireland, where they were willing to use unconstitutional means to subvert the enforcement of the bill.

The situation was succinctly described by J. A. Spender:

But by this time hardly anyone associated with the Irish question was in a normal state of mind. Forces had been set in motion which were beyond control by argument or reason. . . . More and more it was being said that the army would decide, the army which, in the last resort, might have to be invoked against the Ulster Covenanters.¹¹

The crisis over the army in Ireland finally came to a head in March 1914. Tension in Ireland had been steadily mounting, and the Cabinet felt that precautionary measures, involving the movement of troops, should be taken to safeguard law and order in Ireland. The Army Council, which had decided the previous December, to allow officers who were domiciled in Ulster to absent themselves from their units during such operations, now instructed Sir Arthur Paget, the

¹¹J. A. Spender and Cyril Asquith, Life of H. H. Asquith, Lord Oxford and Asquith (London: Hutchinson & Co. Ltd., 1932), Vol. II, p.39.

Commander-in-Chief in Ireland, to allow such officers to "disappear," and any other officers who felt they could not obey orders to suppress a rebellion in Ulster were to be permitted to resign from the service.

As a result of these instructions, a large number of the officers stationed in Ireland requested that they be dismissed from the service on March 20th. These officers were persuaded to return to their posts, and the Cabinet drafted a memorandum which firmly stated that, in the future, no officer was to be questioned as to his position on any orders that he might receive. The issue involved was one of a fundamental constitutional character, i.e., the relationship of the civilian leaders of the government with the military. To allow officers the right to decide whether or not they would obey orders in given political situations was to deny the democratic principle of the subordination of the military arm of the State to the civilian head.

Unfortunately, Colonel Seely, Secretary of State for War, in transmitting the Cabinet memorandum to the Commander-in-Chief in Ireland, added a paragraph of his own.¹² This stated that the Government had no intention of using the troops to suppress political rebellion in Ulster if the Home Rule Bill became law. When the Prime Minister learned of this additional paragraph, he immediately had it countermanded, and Colonel Seely tendered his resignation. The action of the Secretary of State had placed the Government in a most embarrassing position, for it appeared that Asquith and the Cabinet were making a deal with the army. Such a deal, if true,

¹²For Seely's account of this affair see: J. E. B. Seely, Adventure (London: 1930), pp.166 ff.

could not be tolerated by the vast majority of Liberals in the Commons, and the Opposition took every opportunity to exploit the possibility of defeating the Government on this issue.

There was no question that the Liberal Government was in very serious trouble, and it is highly probable that the Government would have fallen at this time if it had not been for the firm and decisive action of Asquith and Colonel Seely. The latter relieved the Cabinet of the obligation of standing by the principle of "collective cabinet responsibility" by submitting his resignation and taking the sole blame for the added paragraph to the Cabinet memorandum. He said in the Commons on March 25th:

Blame does rest, and it rests upon me. . . . I did not apprehend that the Cabinet had seriously considered this document, and regarded a document of this kind as a matter of vital concern. I see now that it is. . . . I have acted with the sincere desire to be loyal to my colleagues, and to see fair play to the Army, I have felt it my duty to ask the Prime Minister to accept my resignation of my office.¹³

Asquith accepted the resignation of the Secretary of State for War, and assumed this position himself on March 30th. But it was also necessary that he dispel any doubts as to his position with respect to the army in Ireland. He did this on the same day that Colonel Seely announced the submission of his resignation to the Prime Minister in the House of Commons. Asquith stated the position as follows:

So long as we are responsible for the government of this country, whatever the consequences may be, we shall not assent to the claim of any body of men in the service of the Crown, be they officers or men. . . . to demand from the Government, in advance, assurances of what they will or will not be required to do in circumstances which have not yet arisen.¹⁴

¹³H. of C., March 25, 1914 (60 H.C. Deb., 5 s., p.401 & 403.)

¹⁴Ibid., p.420.

This statement made it clear that Asquith did not intend to tolerate any further compromises in so far as the army was concerned. But it by no means diminished the Government's difficulty in finding a solution for the peaceful settlement of the Irish Question. If the "army rebellion" did anything, it demonstrated to what great depths feelings were running with respect to Home Rule. The handling of this entire situation could do little else but expose to the whole world the inability of the Liberal Government to cope effectively with the desperate situation in Ireland.

In an attempt to bring about a compromise on Ireland, Asquith, upon the Second Reading of the Home Rule Bill on March 9th, indicated that the Government was prepared to introduce an Amending Bill that would permit the counties of northern Ireland to exclude themselves from the operation of Home Rule for a period of six years. Each of the counties in Ulster was to be allowed, by majority vote of the adult electors, to exclude themselves from Home Rule for the limited period of six years. After that, they would automatically be included, unless Parliament had made some other provision for them in the intervening period of time.

Thus it was intended to meet the objections of those opposed to Home Rule in Ulster by allowing them to exclude themselves for the moment, while at the same time, satisfying the demands of the Irish Nationalists with the prospect of the inclusion of these counties after six years. As Asquith pointed out, his reason for choosing the six year period was that it would allow time for two General Elections to have taken place before Ulster would be forced into the Home Rule scheme. This he hoped would pacify the Unionist leaders who had been calling for an election or plebescite on the Home Rule issue.

Before introducing this amendment in a formal parliamentary manner, however, the Liberal Government was determined to pass the Home Rule Bill for the third and last time. Then, and only then, would consideration be given to the amendment, for, to do otherwise, might have exposed the Home Rule Bill to a similar fate like that of the Franchise and Registration Bill in the 1912 session. It will be recalled, that on that occasion, the Speaker ruled that any amendment which seriously altered the character of a bill required the introduction of a completely new bill embodying the amendment. Asquith and his Cabinet did not wish to risk such an interpretation of an amendment to the Home Rule Bill. Thus, the bill was pushed through all of its readings, and on May 25th, 1914, by a vote of 351 to 274, it passed its final reading in the House of Commons.

But while the wheels of the Parliamentary process were turning, events were occurring in Ireland which threatened the breakdown of constitutional government. Late in April, the Ulster Volunteer Army was successful in bringing large numbers of rifles and ammunition into Ulster, and the Liberal Government was afraid to intervene for fear of precipitating an armed clash between the Volunteers and the armed forces of the Crown. In reply to this aggressive action of the Ulster forces, the Irish Nationalists in the South of Ireland formed their own Volunteer armed force, and for the next few months it appeared that the final solution in Ireland would be settled by the clash of arms.

The Government, if it chose, could secure the Royal Assent to the Home Rule Bill and attempt to enforce its provisions. But it was apparent to all at this time that such a course meant civil war.

Asquith therefore had the Amending Bill introduced in the House of

Lords on June 23rd, 1914, in hopes that this concession to both sides would form a basis for a final settlement. The bill as introduced in the Lords was substantially the same as the one outlined by Asquith on March 9th, which provided for optional exclusion of the Ulster counties from Home Rule for a period of six years. When the bill reached the Commons for its First Reading on July 15th, the Lords had so amended it that it was unacceptable to the Irish Nationalists. All of the Ulster counties were to be excluded from the operations of the bill, for an indefinite period, under the terms of the Lords' amendments.

Since Asquith had already committed the Government to some form of modification in the Home Rule Bill through amendment, the action of the Lords threatened to delay any form of Home Rule for some time to come. If the Government was not prepared to enforce the Home Rule Bill as it stood, and if the Lords were not willing to accept the Amending Bill of the Government, it would again be necessary to use the Parliament Act of 1911 to pass any modification of the bill. This would mean another delay of at least two years. Asquith, in his Memories, noted on July 9th:

I had a long call from Stamfordham, who wanted to report to the King about Ulster prospects, etc. I pointed out to him that the Lords by omitting the plebiscite, etc., and cutting up Ireland as if it was a butcher's joint to suit their own palate, were not helping towards peace.¹⁵

The following day, it was decided by the Cabinet that the Prime Minister should ask the King to intervene, by calling for a Conference of all the major parties involved, both in England and Ireland. For the second time in his short reign, King George V

¹⁵H. H. Asquith, Memories and Reflections, Vol. II (Boston: Little, Brown and Company, 1928), p.6.

found himself in the center of a bitter political struggle between the major political parties in his realm, and although this Conference was to prove to be a failure, as had the previous one on the Parliament Act of 1911, the King conducted himself in a most creditable manner. Once again, the monarchy escaped unblemished from a dangerous political crisis that might well have seriously jeopardized the constitutional position of the King.

Meetings of the Conference were held from the 21st of July through the 24th, and on the latter day, the Conference broke up after failing to reach any agreement on an Irish settlement. The main issues involved concerned the counties to be excluded from Home Rule, particularly the counties of Fermanagh and Tyrone, where the population was neither overwhelmingly Catholic or Protestant. The second issue involved the period of time that such exclusion would last. Since no agreement could be reached on these questions, the Speaker of the Commons, who had presided over the Conference, was forced to announce in that Chamber on July 24th that the Conference had failed.¹⁶

By the date of the breakdown of the Conference on Irish Home Rule, Europe stood on the brink of war. Austria had delivered her ultimatum to Serbia, and it appeared that only a miracle could save Europe from a disastrous conflagration. No such miracle was forthcoming, and by August 4th, 1914, Great Britain found herself involved in the First World War. Under these circumstances, all of the parties to the Home Rule dispute agreed to a postponement of further discussions until the security of Great Britain was assured. In September 1914, it was agreed that the operation of the bill

¹⁶ See 65 H.C. Deb., 5 s., pp. 897 ff.

should be suspended for one year and, if the war was still in progress, an Order in Council would be used to set the date for giving effect to the bill. In any event, Parliament would still have the opportunity of amending the act with respect to Ulster.

With the conclusion of this agreement, John Redmond and his Irish Nationalist party gave their wholehearted support to the Government in its prosecution of the war, fully expecting the introduction of the Home Rule Act in the not too distant future. In this they were to be disappointed, for it was to take seven more long years before Ireland received Home Rule, and then only after bitter strife and bloodshed. After nearly three decades of effort, the Liberal Party had failed to obtain Home Rule for Ireland. Three Home Rule bills had been introduced by Liberal Governments; in 1886, 1893 and 1912, and in each instance Liberal efforts had been frustrated. In 1886 the issue had split the Liberal Party in two, and in 1912-1914, the attempt had created the most serious constitutional problem in modern English history.

The greatest share of the blame for the failure of the Home Rule policy, and its fateful consequences, must rest upon Asquith, his Cabinet and the Liberal Party. Of course, the Unionist Party and its leaders, along with the Irish parties, must share some of the onus of failure because of the intractable positions they assumed. But it was the primary responsibility of the Liberal Government, headed by Asquith, to provide direction and leadership in the crisis that arose out of their policy.

By 1914, Asquith and his colleagues found themselves in a position where they could not retreat from their stand on Home Rule, and yet they realized the necessity of amending the bill. They had

missed an opportunity in June 1912 to accept an amendment to the bill that would have excluded the Ulster counties.¹⁷ At that time, although the Irish Nationalists were far from happy about such an exclusion, such a plan had a fair chance of acceptance by all parties. By refusing this opportunity, the door was opened for all of the bitterness and intractability that followed.

As was the case with the impending labor crisis in 1914, the Liberal Government was saved in the Home Rule crisis by the outbreak of the First World War. But the consequences of their failure were not soon to be forgotten. Writes Viscount Samuel:

The consequences were the Easter Rebellion in Dublin in 1916; the sanguinary Irish upheaval of 1919-1920; the 'reprisals' that followed; and then the Treaty of 1921--giving to Ireland a far larger degree of separation from Great Britain than would have satisfied the Irish people at any one of the earlier periods. . . . In 1939. . . . Eire declared herself a neutral. Her ports were denied to the naval forces of Britain and the United States. . . .¹⁸

Such were the consequences of the inapt policy pursued by Asquith and his colleagues. And while the debacle in Ireland was reaching its climax, the Government found time to deal with very little else in the way of important legislation. Once again, the Established Church (Wales) bill, and the Plural Voting bill, wound their dreary way through the Commons under the Parliament Act.

Disestablishment of the Church and the Franchise

On March 5th of this session, the Established Church (Wales) Bill and the Plural Voting Bill were introduced in the Commons. Like the Home Rule Bill, this was the third and final introduction

¹⁷See H. of C., June 11, 1912 (H.C.Deb., 5 s., pp.856 ff.)

¹⁸Viscount Samuel, Memoirs (London: The Cresset Press, 1945), p.73.

of the Established Church (Wales) Bill under the Parliament Act, while the Plural Voting Bill still had one more year to go before it could become an approved statute. Neither measure created much excitement outside the walls of Westminster.

The Conservative Party, as defenders of the Church of England, attacked the bill as bitterly as they had done in the two previous sessions. One Opposition speaker, W. E. Hume-Williams, used the following argument against the passage of the bill.

You do that (disestablish the Church) at a time when increasingly the State is by common consent interfering at every turn in our national life, and interfering, too, by the wish of parties. It has control of national education, it is controlling the national health, and day by day the State is becoming, by desire largely of the Liberal party, the father of the people. . . .¹⁹

Paternalistic or not, the Liberal Government secured a majority of 77 on the bill's final Reading. As noted above,²⁰ the bill was suspended upon the outbreak of war, and a modified measure was passed by a Conservative dominated Coalition Government in 1920.

Liberal efforts to enact the Plural Voting Bill were also interrupted by the outbreak of war. Passed for a second time in this session, further consideration of the measure was dropped when hostilities commenced.²¹ The Liberals had hoped to pass this measure before another General Election took place, for the majority of persons who were entitled to vote more than once in such elections were mainly members of the Conservative Party.²² Such a

¹⁹H. of C., May 18, 1914 (62 H.C.Deb., 5 s., pp.1640-1641.)

²⁰Supra., p.182.

²¹For the debates on the Plural Voting Bill see 61 H.C.Deb., 5 s., pp.1379 ff. and 63 H.C.Deb., 5 s., pp.779 ff.

²²For discussion of plural voting and the franchise changes in 1918 see Frederic A. Ogg and Harold Zink, Modern Foreign Governments (New York: The Macmillan Company, 1949), pp.197-198.

reform was to come with the Representation of the People's Act of 1918, but this act provided for only a partial abolition of the Plural Vote. Passed by the Coalition Government of that year, the act allowed electors to vote only twice in a General Election, once on the basis of residence and once on the basis of occupation of other premises having an annual rental value over 10 pounds. It was not until 1948 that the last vestiges of the plural vote were abolished. Thus, another Liberal reform was left to other Governments to complete.

The time not occupied by the aforementioned bills, i.e., Home Rule, Established Church (Wales) and Plural Voting, was largely taken up by the Budget.²³ It was difficult to perceive the old Liberal principle of "retrenchment" in the Budget for 1914-1915. Asquith's first Budget in 1906 had called for the expenditure of 142 million pounds. That of Lloyd George's for the forthcoming fiscal year called for Governmental expenditures of 209 millions. The difference between the two represented an increase of almost 50% in expenditures during the Liberals eight years in office. Most of this increase was due to increased naval expenditures, Old Age pensions and the National Health Insurance program. Though both Asquith and Lloyd George had managed during these years to present balanced budgets, with annual provision for the reduction of the National Debt, they had only been able to do so by raising tax rates and finding new sources of revenue. Fortunately, during the latter years of this Liberal Administration, trade had prospered and the Liberal Government had been able to secure additional revenue with a minimum of new tax resources. All of the Liberal efforts at debt

²³For the Budget of 1914-1915 see 62 H.C.Deb., 5 s., pp.56ff.

reduction were to be wiped out by one single Vote of Credit in August 1914. Having entered office in 1906 as the party of fiscal retrenchment, the Liberals had been unable to forestall the necessity for ever increasing expenditures.

In August 1914, the old Liberal slogan of "peace, retrenchment and reform" had a hollow ring to it. The party, which had had many of its leading members bitterly opposed to the Boer War, now found itself responsible for the conduct of a much larger conflagration. Liberals had been unable to follow a policy of fiscal retrenchment. They had lost contact with the labor movement. One of their reforms, Home Rule for Ireland, had brought that country to the verge of civil war, and threatened the breakdown of constitutional government in Great Britain. Other reforms had been forced upon them and granted reluctantly.

With the outbreak of the First World War, the Liberal Party was a party without an effective leader, or an effective political program. After eight and one-half years in office, the Liberal Government had failed to solve the major domestic problems of its time. The party was politically bankrupt on the eve of the war. That conflict supplied the coup de grace.

CHAPTER XI

CONCLUSIONS

A decade after the outbreak of the First World War, the Liberal Party in the House of Commons numbered no more than 42 M.P.'s, the exact number of seats won by the Labour Party in December 1910. Just 18 years after the greatest victory ever obtained by a political party in a general election, the Liberal Party was reduced to the role of a splinter third party!

The demise of the party was almost as sensational as its great victory of 1906. The "Coupon Election" of 1918¹ gave the first indication of the loss of Liberal electoral strength in the nation. Although the Liberals, both those who supported the Coalition Government headed by Lloyd George and the Independent Liberals under Asquith's leadership, numbered 164 in the new House of Commons, to the Labour Party's 57 M.P.'s, the Labour party polled 2.3 million votes to the Liberals 2.7 million. The gap between the popular voting strength of these two parties was all but closed! By 1922, the Labour Party forged ahead of the Liberals both in the popular vote and in the number of M.P.'s. In the general election of 1922 the Labour Party polled 4.3 million votes to the Liberals 4 million, and they secured 142 seats to the Liberals 113. From this date onward, the Liberal Party was never able to overtake the Labour Party.

Such was the decline of the Liberal Party. The war had undoubtedly hastened the demise of the party. Lloyd George wrote in his War Memoirs:

¹For the results of the General Elections of 1918, 1922, 1923 and 1924 see The Liberal Magazine: XXVI (January, 1919), pp. 635 ff.; XXX (December, 1922), pp.791 ff.; XXXI (December, 1923), pp.710 ff.; XXXII (December, 1924), pp.605 ff.

War has always been fatal to Liberalism. 'Peace, Retrenchment, and Reform' have no meaning in war. Moreover, a nation, to make war effectively, must be prepared to surrender individual right and freedom for the time being. . . . Victory is the triumph of force and not of reason.²

Because he felt that Asquith was not prosecuting the war in the most effective fashion, Lloyd George had forced the Prime Minister out of office in December 1916. The ensuing split within the party between the followers of Lloyd George, and those who preferred Asquith's leadership, also undoubtedly accelerated the break up of the party. These events were catalytic agents which brought the end quicker, but the truly critical years that had determined the political future of the Liberal Party lay between 1906 and 1914. It was during these years that the fateful mistakes were made which ultimately destroyed the confidence of the British electorate in the Liberal Party.

Liberal Errors, 1906-1914

The Liberals came into office in 1906 on the crest of a tremendous Free Trade wave that swept the nation. Besides being committed to the continuation of a Free Trade fiscal policy, there seemed to be little in the way of a comprehensive program of legislative reforms. Liberal candidates promised legislation to deal with the Taff Vale case, education and South Africa, but beyond these measures, it appeared that the Liberal Party was still committed to the Newcastle Program which it had adopted in 1891.³ This program included:

²David Lloyd George, War Memoirs Vol.I (abridged; London: Odhams Press Ltd., 1938), p.448.

³For details of the Newcastle Program see Marriott, op. cit., p.65.

1. Home Rule for Ireland.
2. Disestablishment and Disendowment of the Church in Wales.
3. Electoral reform, including the abolition of the Plural Vote.
4. Control of the liquor trade by direct popular vote.
5. Abolition, or modification in the structure, of the House of Lords.
6. Land reform, including the extension of small holdings allotments.

These were the major proposals of the Newcastle Program, but in the electoral campaign of 1906, the Liberals gave no explicit indication as to when, or in what form, these measures would be enacted. Most of these proposed reforms, although having certain economic ramifications, were basically "political" in character. They were not aimed, for the most part, at the improvement of the economic status of the large masses of workers in Great Britain. They represented primarily the demands of minorities within the party for the settlement of political grievances, such as the Irish demand for Home Rule and the Welsh demand for Disestablishment of the Church. Few of these reforms could be said to have had a national popular appeal.

The persistence of the Liberal Party, and its leaders, in pursuing these objectives during the years 1906-1914, dealt that party a mortal blow. Many precious months and years were to be spent by the Liberal Government in frustrating efforts to enact the major proposals contained in the Newcastle Program. Meanwhile, many urgent reforms were either delayed or neglected altogether. From the outset, the Liberal administration that took office in 1906 failed to recognize the significance of the factors which lay behind the appearance of the newly created Labour Party

As we have seen, this new party, and the trade unions that provided the bulk of the party's membership, consistently refused

to adopt any radically oriented socialist program throughout the years of this study. This attitude reflected the political conservatism of the trade unions, many of whom had had long standing records of political cooperation with the Liberal Party through "Lib-Lab"-ism. It behooved the Liberal Party to give their utmost attention to this movement of trade unionists into the ranks of the Labour Party, and to satisfy whenever possible their legitimate grievances. The Liberal Party had been instrumental in enfranchising the working class people of Great Britain. To give them the right to vote and then to neglect their social and economic desires, was courting political disaster. But that is what the Liberals did.

The vacillating and indecisive character of Liberal policies, both with respect to the labor movement and social and economic reforms, was evident in the very first Parliamentary session of the new Government. The Cabinet was split over the terms of the Trade Disputes bill, with Asquith displaying his lukewarm sympathy towards the trade unions by backing the Government's original bill. The original bill did not completely remove union executives from the threat of damage suits. When Campbell-Bannerman settled the dispute within the Cabinet by conceding a more favorable bill demanded by the trade unionists, he not only irked Asquith, but gave the appearance that the bill had been forced upon the Government. Thus, in the eyes of the general public, the Labour Party deserved as much credit, if not more, as the Liberal Party for the passage of the bill.

Not only did the legislative session of 1906 reveal the differences within the party with respect to the labor movement, but it also determined the basic political strategy to be employed by the

Liberals for the next five years. After the House of Lords rejected the two major Liberal bills of this session, i.e., the Education bill and the Plural Voting bill, the decision was made to "fill up the cup" of the Lords with bills they could not accept. By doing this, it was hoped that ultimately the Liberals could gain the overwhelming support of the electorate for curtailment of the Lords' legislative powers.

As noted in Chapter II, Campbell-Bannerman later questioned the wisdom of not having appealed to the nation on the basis of the Lords' rejection of the Education bill. By not doing this, the Liberals admitted their own lack of faith in the bill's popularity throughout the nation. The failure to take the issue of the Lords' vetoing power to the electorate in 1906 would not have had such a bad effect upon the Liberals' political fortunes, if that party had determined to bring the issue to a head immediately. But five long and frustrating years were to pass before the question was finally resolved. By that time, the nation had grown tired of the dispute between the two Houses of Parliament, and the Liberal Party had lost contact with the labor movement.

During 1907 and 1908, the Liberal Government pursued the policy of "filling up the cup," watching one major piece of legislation after another fall before the House of Lords veto. The land reform bills; the education bills; and the licensing bill all failing to pass through the Upper Chamber. Preoccupied in their dispute with the Lords, the Liberals neglected several problems that should have received their immediate attention. Unemployment had been rising, reaching its peak in 1908. By the time the Liberals enacted the Labour Exchanges Act of 1909, and the unemployment sections of

the National Health Insurance Act of 1911, employment had picked up and the need for relief amongst the workers had subsided. This failure to act promptly lost much of the political benefit that such legislation should have gained for the Liberal Party amongst the working classes. In the case of the National Health Insurance Act, many workers took exception to the compulsory contributions they were required to make, and even those trade unionists who accepted the principle felt that the share paid by the State and employers should have been larger.

The Liberal Government also lost much ground with the trade union movement by delaying legislation to reverse the new legal attack made on the unions in 1908. The Osborne Judgement of that year remained in effect for nearly five years before the Liberals reversed the decision through the Trade Union Act of 1913. As was the case with the Trade Disputes Act of 1906, Asquith further antagonized the trade unionists by insisting on the restrictive "contracting-out" clause in the 1913 bill. The long delay in the passage of this latter act embittered many trade unionists, and it played no small part in the Miner's Federation decision to abandon electoral cooperation with the Liberal Party, and affiliate themselves with the Labour Party. This decision brought to an end the policy of "Lib-Lab"-ism.

In 1909, the Liberals finally found the issue that they considered important enough to risk a general election over the powers of the House of Lords. This was the Budget of 1909. Up until this point, the Conservative peers had politically outmaneuvered the Liberal Government. They had resisted all those bills which they felt had no great popular support outside of Parliament. The

Liberals themselves, by refusing to risk a general election over these bills, admitted the weakness of these measures. On the other hand, the Conservative dominated House of Lords passed such measures as the Trade Disputes Act (1906), Old Age Pensions Act (1908), Labour Exchanges Act (1909), and the Trade Boards Act (1909). By passing these measures, the Conservative peers minimized the possibility of acute hostility between the working classes and the Unionist Party, and at the same time, this course of action prevented the Liberal Party from claiming it was the sole champion of labor.

Had the Liberal Government been forced to pass any of these measures over the prostrate body of the House of Lords, they might well have rallied the vast majority of working class voters behind them. The Conservatives, however, did not adopt tactics that would have afforded the Liberals this opportunity. But the rejection of the 1909 Budget by the Lords proved to be their downfall. It required two more years, and two general elections, to bring to an end this dispute between the two Houses, but the end result was assured when the Lords snapped up the bait cast out by Lloyd George.

The roles played by Asquith and Lloyd George in this controversy with the Lords, not only points up the differences in their personalities, but also illustrates the differing opinions within the Liberal Party with respect to its political program. Lloyd George was aggressive and desired action. He baited the Lords, and then antagonized them into rejecting the Budget through his "Limehousing" tactics. Asquith, on the other hand, was more at home with the niceties of Parliamentary debate and procedure. He was content to allow things to work themselves out gradually, with as little interference as possible from the Government of the day. Unfortunately

for the Liberal Party, the times called for a man of Lloyd George's personality, but it was Asquith who inherited the Premiership when Campbell-Bannerman died in April 1908.

Asquith's shortcomings became more and more evident as the years passed. After the first general election of 1910, the Liberals had to depend upon the Irish Nationalists if they were to remain in office. For this support, Asquith had to introduce a Home Rule bill once again. His management of this bill provides a history of inaction, missed opportunities, blunders and timidity. The Government's policy nearly brought Ireland into full scale civil war. It took another war to save the situation.

The fact that the Liberals depended upon the Irish Nationalists to keep them in office, after the two general elections of 1910, was not the only point of interest in these electoral results. In both elections, almost without exception, successful Labour candidates owed their seats to the benevolent attitude of the Liberal Party organization towards them. Where Liberal candidates entered a constituency and forced a three-cornered fight, the Labour candidate lost in every single instance, while Liberals won the majority of these contests. Had the Liberals been less timid in their electoral tactics, and forced the Labour Party to fight three-cornered contests in all constituencies, there seems little doubt that few Labour M.P.'s would have been left in the House of Commons. Such tactics would have demonstrated for those trade unionists who were wavering between the two parties, the unwisdom of supporting an independent Labour Party. By their failure to follow such a course, the Liberals missed two golden opportunities to deal the new party a fatal blow. Again, preoccupation with the constitu-

tional crisis over the Lords blinded Liberals to the potential threat confronting them in the shape of the Labour Party.

While Asquith, and the party which he led, muddled through the crises surrounding the House of Lords and then Ireland, the workers of Great Britain were taking a different course. Beginning in 1910, the trade unions began to follow a policy of direct action in order to satisfy the grievances of their members. Trade prosperity was climbing ever higher, prices were rising, but wages were not keeping pace with the increased cost of living. The workers of industrial Britain had become dissatisfied with their share of national income, and they now had the tools with which to extract a larger share for themselves.

Strikes became the order of the day, and during the last four years of the Liberal administration's life, prior to the outbreak of the World War, labor unrest gripped the country. The gap between the trade unions and the Liberal leaders was soon evident, as seen from the manner in which the Government handled these labor disputes. Typical of Asquith's attitude toward the governmental process, the Liberals had no set policy or plan to deal with such disputes. Solutions were makeshift, such as the railway strike in 1911, when Asquith first threatened the union, and then resorted to an appeal that national security might be endangered by a strike during the Agadir crisis. His inability to cope with the labor problems of the time was further demonstrated during the coal strike of 1912. The Prime Minister rushed the Coal Mines (Minimum Wage) bill through the Commons, and in a pathetic scene in that chamber he begged the coal miners to accept the legislation as a basis for a settlement of the strike.

By 1914, the trade unions posed an even greater threat to the Liberal Government in the form of the Triple Alliance between the miners, railwaymen and transport workers. And yet, even after their experiences of 1911 and 1912, the Liberals had not evolved a labor policy. The Liberals were reaping the bitter fruits of their failure to recognize the needs of the times, and to provide a truly progressive legislative program. Liberal measures of reform between the years 1906 and 1914 were either granted reluctantly, such as the minimum wage bill for miners, or enacted after the horse had been stolen from the barn, as in the case of the Labour Exchange Act.

No consistent and constructive policy to deal with the economic problems of the country was to be found in the Liberal legislative program of these years. The party wandered in the wilderness of constitutional crises, while at the same time, a new party was growing up that presented a political alternative for the working class electorate. Weak as the new Labour Party was, it survived these trying years. The demonstrated failures of the Liberal Party during these same years of trial, made this new party the logical alternative for millions of voters. With this change, the demise of the Liberal Party was assured.

APPENDIX

RESULTS OF THE GENERAL ELECTIONS OF 1906 AND 1910*

Date of Election	January 1906				January 1910				December 1910			
Political Parties	L&L	C	LU	N	L&L	C	LU	N	L&L	C	LU	N
England												
London	42	19	0	0	28	29	4	0	31	26	4	0
Boroughs	121	33	10	1	86	65	13	1	84	68	12	1
Counties	174	53	7	0	111	104	19	0	110	100	24	0
Universities	0	2	3	0	0	3	2	0	0	3	2	0
Wales												
Boroughs	11	0	0	0	10	1	0	0	8	3	0	0
Counties	19	0	0	0	18	1	0	0	19	0	0	0
Scotland												
Boroughs	25	1	5	0	27	2	2	0	26	2	3	0
Counties	35	3	1	0	34	5	0	0	35	4	0	0
Universities	0	3	0	0	0	1	1	0	0	1	1	0
Ireland												
Boroughs	0	4	0	12	0	4	0	12	0	4	0	12
Counties	2	11	2	70	1	12	3	69	1	10	3	71
Universities	0	2	0	0	0	2	0	0	0	2	0	0
Total Number of Seats Held in House of Commons (670 seats)	429	130	28	83	315	229	44	82	314	223	49	84

Abbreviations: - L&L - Liberal and Labor; C - Conservative; LU - Liberal Unionist; N - Irish Nationalist.

*Source: The Liberal Magazine, Vol.XIV, 1906; Vol.XVIII, 1910-1911.

BIBLIOGRAPHY

Books

- Allen, B.M. Sir Robert Morant. London: Macmillan Co. Ltd., 1934.
- Ashley, W.J. The Tariff Problem. London: P.S. King & Son, 1933.
- Asquith, H.H. Memories and Reflections 1852-1927. 2 vols. Boston: Little, Brown & Co., 1928.
- _____. Fifty Years of Parliament. 2 vols. London: Cassell & Co., Ltd., 1926.
- Bailey, Sydney D. (ed.). The British Party System. London: The Hansard Society, 1952.
- Baker, Harold T. The Territorial Force. London: John Murray, 1909.
- Balfour, Graham. The Educational System of Great Britain and Ireland. Oxford: The Clarendon Press, 1903.
- Barker, E. Ireland in the Last Fifty Years. Oxford: The Clarendon Press, 1917.
- Beaverbrook, Lord. Politicians and the War 1914-1916. London: Thornton Butterworth Ltd., 1928.
- Bell, G.K.A. Randall Davidson, Archbishop of Canterbury. 2 vols. London: Oxford University Press, 1935.
- Belloc, Hilaire, and Chesterton, Cecil. The Party System. London: Stephen Swift Ltd., 1911.
- Beveridge, Sir William Henry. Unemployment; A Problem of Industry. London: Longmans, Green & Co., Ltd., 1909.
- _____. Voluntary Action. New York: Macmillan Co., 1948.
- _____. Why I Am A Liberal. London: Jenkins Ltd., 1945.
- Booth, Charles. Life and Labour of the People of London. 8 vols. London: Macmillan Co., Ltd., 1904.
- Brand, Robert H. The Union of South Africa. Oxford: The Clarendon Press, 1909.
- Callwell, Sir C.E. Field-Marshal Sir Henry Wilson. 2 vols. London: Cassell & Co., Ltd., 1927.
- Cambray, Philip George. The Game of Politics: A Study of the Principles of British Political Strategy. London: John Murray, 1932.
- Campion, Lord. (ed.). Parliament: A Survey. London: Allen & Unwin Ltd., 1952.

- Chamberlain, Austen. Politics From Inside. London: Cassell & Co., Ltd., 1936.
- Childers, Erskine. The Framework of Home Rule. London: E. Arnold Ltd., 1911.
- Churchill, Winston S. The World Crisis 1911-1918. Abridged and revised ed. London: Thornton Butterworth Ltd., 1931.
- Cole, G.D.H. A Short History of the British Working Class Movement 1789-1927. London: Allen & Unwin Ltd., 1927.
- _____. British Working Class Politics 1832-1914. London: Routledge & Kegan Paul Ltd., 1941.
- _____. and Mellor, W. The Greater Unionism. London: Labour Publishing Co., Ltd., 1913.
- Colvin, Ian. The Life of Lord Carson. 3 vols. London: Gollancz Ltd., 1934, 1936.
- Costin, W.C. and Watson, J. Steven. The Law and Working of the Constitution: Documents 1660-1914. 2 vols. London: Black, 1952.
- Crewe, Marquess of. Lord Rosebery. London: Harper & Brothers Ltd., 1931.
- Cruikshank, R.J. The Liberal Party. London: Collins, 1948.
- Daniels, S.R. The Case for Electoral Reform. London: Allen & Unwin Ltd., 1938.
- Davison, John Biggs. George Wyndham. London: Hodder & Stoughton Ltd., 1951.
- Dicey, A.V. Law and Public Opinion in England. 2d. ed. revised. New York: Macmillan Co., 1952.
- _____. A Fool's Paradise; Being a Constitutionalists Criticism of the Home Rule Bill of 1912. London: Oxford University Press, 1915.
- Dugdale, Blanche C. Arthur James Balfour. 2 vols. New York: G. Putnam's Sons, 1937.
- Elliot, Walter. Toryism and the Twentieth Century. London: Philip Allan Ltd., 1927.
- Ensor, R.C.K. England 1870-1914. Oxford: The Clarendon Press, 1936.
- Farbman, Michael. Political Britain: Parties, Policies and Politicians. London: Europa Publications, 1929.

- Fyfe, Hamilton. The British Liberal Party. London: Allen & Unwin Ltd., 1928.
- Gardiner, A.G. The Life of Sir William Harcourt. 2 vols. London: Constable Ltd., 1923.
- George, David Lloyd. War Memoirs. 2 vols. abridged. London: Constable Ltd., 1923.
- Gladstone, Herbert. After Thirty Years. London: Macmillan Co., Ltd, 1928.
- Gooch, Robert K. The Government of England. New York: Van Nostrand Co., 1937.
- Grey, Sir Edward. Twenty-Five Years 1892-1916. 2 vols. London: Hodder & Stoughton Ltd., 1925.
- Gwynn, Dennis. The Life of John Redmond. London: Harrap Ltd., 1932.
- Gwynn, Stephen. The Case for Home Rule. Dublin: Maunsel & Co., Ltd, 1911.
- Halevy, Elie. A History of the English People; Epilogue, 1895-1905, 1905-1915. 2 vols. London: Benn & Unwin Ltd., 1929; Benn, 1934.
- Haldane, R.B. Viscount Haldane, An Autobiography. London: Hodder & Stoughton Ltd., 1929.
- Hamilton, Sir Ian. Compulsory Service. London: John Murray, 1910.
- Healy, T.M. Letters and Leaders of My Day. 2 vols. London: Thornton Butterworth Ltd., 1928.
- Heberle, Rudolf. Social Movements. New York: Appleton-Century-Crofts Inc., 1951.
- Hobhouse, L.T. Liberalism. New York: Henry Holt & Co., 1911.
- Howarth, E.G. and Wilson, Mona. West Ham; A Study of Social and Industrial Problems. London: Outer London Inquiry Committee Report, 1907.
- Humphrey, A.W. History of Labour Representation. London: Constable Ltd., 1912.
- Jebb, L. Small Holdings of England; A Survey of Various Existing Systems. London: John Murray, 1907.
- Jennings, Sir Ivor. Cabinet Government. 2d. ed. Cambridge: University Press, 1951.

- Jones, Jack. The Man David 1880-1914. London: Hamish Hamilton Ltd., 1944.
- Jones, Thomas. Lloyd George. London: Oxford University Press, 1951.
- Kettle, T.M. Home Rule Finance; An Experiment in Justice. Dublin: Maunsel & Co., Ltd., 1911.
- Lee, Sir Sidney. King Edward VII; A Biography. 2 vols. London: Macmillan Co., Ltd., 1927.
- Lowell, Abbott Lawrence. The Government of England. 2 vols. 2d. ed. New York: Macmillan Co., 1912.
- MacCoby, S. English Radicalism; 1853-1886. London: Allen & Unwin Ltd., 1938.
- _____. (ed.). The English Radical Tradition 1763-1914. London: Nicholas Kays Ltd., 1952.
- MacIver, R.M. The Web of Government. New York: Macmillan Co., 1947.
- Mallet, Sir Charles. Mr. Lloyd George: A Study. London: Benn Ltd., 1930.
- Marriott, J.A.R. Modern England 1885-1945. London: Methuen & Co., Ltd., 1948.
- McKechnie, William S. The Reform of the House of Lords. Glasgow: J. Machehose & Sons, 1909.
- McKenna, Stephen. Reginald McKenna, 1863-1943. London: Eyre & Spottiswoode Ltd., 1948.
- McKenzie, R.T. British Political Parties. London: William Heinemann Ltd., 1955.
- Morley, John. Life of William Ewart Gladstone. 3 vols. London: Edward Lloyd Ltd., 1908.
- _____. Recollections. 2 vols. New York: Macmillan Co., 1917.
- Muir, Ramsay. How Britain Is Governed. 4th ed. London: Constable Ltd., 1940.
- Newton, Lord. Lord Lansdowne; A Biography. London: Macmillan Co., Ltd., 1929.
- Ostrogorski, M. Democracy and the Organization of Political Parties. 2 vols. Translated by Frederick Clarke. London: Macmillan Co., Ltd., 1902.
- Pankhurst, E. Sylvia. The Suffragette Movement; An Intimate Account of Persons and Ideals. London: Longmans, Green & Co., Ltd., 1931.

- Pelling, H. The Origins of the Labour Party. London: Macmillan Co., Ltd., 1954.
- Petrie, Sir Charles. Life and Letters of Sir Austen Chamberlain. 2 vols. London: Cassell & Co., Ltd., 1939-1940.
- Pike, Edgar R. Political Parties and Policies. London: Pitman Ltd., 1950.
- Pomfret, John E. The Struggle for Land in Ireland 1800-1923. Princeton: Princeton University Press, 1930.
- Prothero, Rowland E. English Farming Past and Present. London: Longmans, Green & Co., Ltd., 1912.
- Ross, J.F.S. Parliamentary Representation. London: Eyre & Spottiswoode Ltd., 1948.
- Rowntree, B.S. Poverty: A Study of Town Life. London: Macmillan Co., Ltd., 1901.
- Samuel, Viscount. Memoirs. London: The Cresset Press, 1945.
- Simon, Viscount. Retrospect. London: Hutchinson & Co., Ltd., 1952.
- Slessor, Sir Henry. A History of the Liberal Party. London: Hutchinson & Co., Ltd., 1944.
- Smart, William. The Return to Protection. London: Macmillan Co., Ltd., 1904.
- Smellie, K.B. A Hundred Years of English Government. London: Gerald Duckworth & Co., Ltd., 1937.
- Smillie, Robert. My Life for Labour. London: Mills & Boon Ltd., 1924.
- Smith, George Armitage. The Free Trade Movement and its Results. London: Blackie & Son, 1903.
- Snowden, Philip. An Autobiography. London: Ivor Nicholson & Watson, 1934.
- Spender, J.A. The Life of the Right Hon. Sir Henry Campbell-Bannerman. 2 vols. London: Hodder & Stoughton Ltd., 1923.
- _____. and Asquith, Cyril. Life of H.H. Asquith, Lord Oxford and Asquith. 2 vols. London: Hutchinson & Co., Ltd., 1932.
- Steed, H.W. Through Thirty Years, 1892-1922. 2 vols. London: Heinemann Ltd., 1924.
- Stewart, W. J. Keir Hardie. London: National Labour Press Ltd., 1925.

- Strachey, Rachel. "The Cause"; A Short History of the Women's Movement in Great Britain. London: G. Bell Ltd., 1928.
- Sutherland, William. Old Age Pensions in Theory and Practice with some Foreign Examples. London: Methuen & Co., Ltd., 1907.
- Sylvester, A.J. The Real Lloyd George. London: Cassell & Co., Ltd., 1947.
- Taylor, H.A. The Strange Case of Andrew Bonar Law. London: Stanley Paul, 1934.
- Thomas, Ivor Bulmer. The Party System in Great Britain. London: Phoenix House Ltd., 1953.
- Thomson, Malcolm. David Lloyd George. London: Hutchinson & Co., Ltd., 1951.
- Tracey, Herbert. (ed.). The British Labour Party: Its History, Growth, Policy and Leaders. London: Caxton, 1948.
- Trevelyan, George Macaulay. The Two Party System in English Political History. London: Oxford University Press, 1926.
- Wallas, Graham. Human Nature in Politics. 3rd. ed. New York: F.S. Crofts & Co., 1937.
- Webb, Sidney and Beatrice. History of Trade Unionism. rev. ed. London: Longmans Ltd., 1920.
- Williams, Francis. Fifty Years' March: The Rise of the Labour Party. London: Odhams Press Ltd., 1950.
- Woodward, E.L. The Age of Reform 1815-1870. Oxford: The Clarendon Press, 1938.
- Worsfold, William B. The Reconstruction of the New Colonies under Lord Milner. London: Kegan Paul, Trench, Trubner & Co., Ltd., 1913.
- Young, G.M. The Government of Britain. London: Collins, 1941.

Articles and Pamphlets

- Bryce, James. "The Reform of the House of Lords," The Liberal Magazine, Vol.XV, 1907.
- Dodds, George Elliott. "Let's Try Liberalism," Liberal Publications Department, 1945.
- Evans, B.G. "Mr. Lloyd George," Fortnightly Review, June, 1916.
- Foot, Isaac. Liberty and the Liberal Heritage. London: Gollancz, 1948.

Laski, Harold J. "The Rise of Liberalism," Encyclopaedia of the Social Sciences, New York: Macmillan Co., 1942.

Massingham, H.W. "The Position of Mr. Lloyd George," Nation, January 6, 1912.

McFadyean, Sir Andrew. The Liberal Case. London: Wingate, 1950.

Nevinson, Henry. "Lloyd George: The Leader of British Liberals," Foreign Affairs, April, 1931.

Pollock, James K., Jr. "British Party Organization," Political Science Quarterly, Vol.XLV, No.2, June, 1950.

Ruggiero, Guido de. "Liberalism," Encyclopaedia of the Social Sciences, New York: The Macmillan Co., 1942.

Spender, Harold. "Unemployment Insurance," Contemporary Review, January, 1909.

Newspapers & Periodicals

Bristol Times and Mirror.

Daily News.

Daily Mail.

Daily Telegraph.

Liberal Magazine.

Manchester Guardian.

Morning Post.

The Spectator.

The Standard.

The Times.

Official Documents and Reports

Great Britain. Board of Trade. Labour Dept. Abstract of Labour Statistics.

Great Britain. Parliament. Parliamentary Debates: Official Report. London: H.M.Stationery Office.

Independent Labour Party (Gt. Brit.) Conference Reports.

Labour Representation Committee. Annual Conference Report.

Trade Union Congress. Report of Proceedings.